AMENDED AND RESTATED ACQUISITION AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT is dated as of the 12th day of November, 2021.

B E T W E E N:

EMBARK HEALTH INC., a corporation incorporated under the laws of Canada (the "**Company**")

- and -

1323977 B.C. LTD, a corporation incorporated under the laws of the Province of British Columbia ("**Subco**")

- and -

BEVCANNA ENTERPRISES INC., a corporation incorporated under the laws of the Province of British Columbia (the "**Purchaser**" or "**BevCanna**")

- and -

BRUCE DAWSON-SCULLY, in his capacity as shareholder representative and not in his personal capacity ("**Shareholder Representative**")

- and -

THE VENDORS (as defined herein)

WHEREAS the Purchaser and the Company desire to effect the acquisition by the Purchaser of all of the issued and outstanding common shares of the Company, collectively, the "**Embark Common Shares**") from the holders thereof in exchange for the issuance by the Purchaser of Purchaser Common Shares and Earn-Out Shares (as defined herein) to such holders of Embark Common Shares at Closing (as defined herein) (the "**Acquisition**");

AND WHEREAS the Company, Subco and the Purchaser intend to effect the Acquisition by way of the continuation of the Company pursuant to the Continuation (as defined herein) and the Amalgamation (as herein defined);

AND WHEREAS it is the express intention of the parties hereto to enter into this Agreement and to effect the transactions contemplated hereof;

AND WHEREAS the parties entered into an Acquisition Agreement dated September 19, 2021 (the "**Original Agreement**") and desire to amend the Original Agreement to add additional provisions relating to the treatment of certain share purchase warrants of the Company on the terms and subject to the conditions set forth herein;

AND WHEREAS the parties have agreed to restate the terms of the Original Agreement, as so amended, and to replace the Original Agreement in its entirety with this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained and of other good and valuable consideration, the receipt

and sufficiency of which is hereby acknowledged, the parties hereto agree, each with the others, as follows:

ARTICLE I
DEFINITIONS AND MISCELLANEOUS

1.01 In this Agreement (including the preamble, recitals and each Schedule hereto), the following terms have the meanings ascribed thereto as follows:

"**1933 Act**" means the United States *Securities Act of 1933,* as amended.

"**Acquisition**" has the meaning given to that term in the recitals hereof.

"**Acquisition Proposal**" with respect to the Company means, other than the transactions contemplated by this Agreement, any offer, proposal or inquiry (written or oral) from, or public announcement by, any Person or group of Persons (other than the Purchaser and/or one or more of its wholly-owned Subsidiaries) whether or not delivered to the shareholders of the Company, after September 19, 2021 relating to:

- any sale or disposition, direct or indirect, of assets (including voting, equity or other securities of Subsidiaries) or joint venture, partnership or similar transaction representing 50% or more of the consolidated assets or contributing 50% or more of the consolidated revenue of the Company and its Subsidiaries, or of 50% or more of the voting or equity securities (or rights or interests in such voting or equity securities) of the Company or any of its Subsidiaries whose assets, individually or in the aggregate, represent 50% or more of the consolidated assets of the Company and its Subsidiaries;

- any direct or indirect take-over bid, exchange offer, issuance of securities or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning or having the right to acquire 50% or more of any class of voting or equity securities of the Company on a fully-diluted basis;

- any plan of arrangement, merger, amalgamation, consolidation, share exchange, debt exchange, business combination, reorganization, joint venture, partnership or similar transaction, recapitalization, liquidation, dissolution or winding up or similar transaction involving the Company or any of its Subsidiaries that, if consummated, would result in a Person or group of Persons beneficially owning 50% or more of the voting or equity securities of the Company or of the surviving entity or the resulting direct or indirect parent of the surviving entity; or

- any other similar transaction or series of transactions involving the Company or any of its Subsidiaries,

provided that notwithstanding the above the sale of the shares of Embark Woodstock Inc. or the sale of the Woodstock Facility by the Company pursuant to the Woodstock MOA will not constitute an Acquisition Proposal for the purposes of this Agreement.

"**Act**" means the *Securities Act* (Ontario).

"**Adjusted EBITDA**" means, with respect to any Calculation Period, the net income before interest, income taxes, depreciation and amortization of Amalco for such period, determined in accordance with IFRS but applied and calculated in a manner consistent with the EBITDA calculation derived from the Annual Financial Statements for the most recent financial year end, adjusted to deduct (a) Return on Capital Expenditures, and (b) Marketing Expenses.

"**Affiliate**" has the meaning specified in the CBCA on September 19, 2021.

"**Agreed Amount**" has the meaning specified in Section 15.08.

"**Agreement**" means this Agreement and any instrument supplemental or ancillary hereto; and the expressions "Article, "section", and "subsection" followed by a number means and refers to the specified Article, section or subsection of this Agreement.

"**Amalco**" means the amalgamated entity to be formed as a result of the Amalgamation under the corporate name of "Embark Health Inc.".

"**Amalco Articles**" means the articles of Amalco which will be in effect at the Effective Time, substantially in the form attached hereto as Schedule "H".

"**Amalco Common Shares**" means the common shares in the capital of Amalco.

"**Amalgamating Parties**" means the Company and Subco.

"**Amalgamation**" means the amalgamation of Subco and the Company in accordance with the terms of this Agreement and the BCBCA.

"**Amalgamation Application**" means the amalgamation application substantially in the form attached hereto as Schedule "I", containing the information that is to be included in the amalgamation application to be filed with the Registrar under Section 275(1)(a) of the BCBCA.

"**Ancillary Agreements**" means all agreements, certificates and other instruments delivered or given pursuant to this Agreement, including the Employment Agreements, the Non-Competition Agreements, the Closing Escrow Agreement and the Indemnity Escrow Agreement.

"**Annual Financial Statements**" means the Company's 2019 Financial Statements and the Company's 2020 Financial Statements.

"**Applicable Law**" means any domestic statute, law (including the common law), ordinance, rule, regulation, restriction, by-law, order, or any consent, exemption, approval or licence of any Governmental Authority, including the *Cannabis Act* (Canada) and its regulations, and Securities Laws that (as the context requires) applies in whole or in part to the Acquisition, the Amalgamation, the Company, the Purchaser or their respective Affiliates and Assets.

"**Assets**" means the property and assets of the Company or the Purchaser and each of their respective Subsidiaries, as the case may be, as a going concern, of every kind and description and wheresoever situated.

"**Authorizations**" means licences, certificates, approvals, consents, notices, clearances, authorizations, permits and supplements or amendments thereto required by Applicable Laws.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) *Act* as may be amended from time to time.

"**BevCanna Replacement Warrants**" means common share purchase warrants of BevCanna having terms and conditions substantially in the form attached hereto as Schedule "O".

"**BevCanna Resolution**" means the special resolution of the shareholders of BevCanna approving the creation of a new class of preferred shares, issuable in series, substantially in the form attached hereto as Schedule "J".

"**Business**" means Embark's Business or Purchaser's Business, as applicable.

"**Business Day**" means any day, other than a Saturday, Sunday or statutory or civic holiday in the Province of Ontario or the Province of British Columbia.

"**CBCA**" means the *Canada Business Corporations Act* as may be amended from time to time.

"**Calculation Periods**" means each of the financial years of Amalco ending on December 31, 2022, 2023 and 2024, respectively.

"**Certificate of Amalgamation**" means the certificate of amalgamation issued by the Registrar.

"**Claimed Amount**" has the meaning specified in Section 15.08.

"**Claims**" means any suit, action, dispute, civil or criminal litigation, claim, arbitration or legal, administrative or other proceeding or governmental investigation, including appeals and applications for review.

"**Claim Notice**" has the meaning specified in Section 15.07(a).

"**Closing**" means the completion of the transactions contemplated herein on the Effective Date.

"**Closing Escrow Agent**" means Olympia Trust Company.

"**Closing Escrow Agreement**" means the escrow agreement to be entered into as of the Effective Date between the Purchaser, Subco, the Shareholder Representative and the Closing Escrow Agent in substantially the same form attached hereto as Schedule "C", with such modifications as reasonably requested by the Closing Escrow Agent and customary for escrow agreements of this nature.

"**Closing Payment Shares**" means the Purchaser Common Shares issued to the Embark Shareholders at Closing as contemplated by this Agreement.

"**Closing Value**" means $21,000,000;

"**Closing Working Capital**" means (a) the Current Assets of the Corporation, less (b) the Current Liabilities of the Corporation, determined as of the Effective Time. Schedule "D" sets out an illustrative example for how Closing Date Working Capital will be calculated for the purposes of Article II.

"**Closing Working Capital Statement**" has the meaning set forth in Section 2.02(a)(i).

"**Company**" has the meaning given to the term in the preamble hereof.

"**Company Indemnified Parties**" means the Embark Shareholders and the Company's directors, officers, employees, agents and representatives, and "**Company Indemnified Party**" means any one of them.

"**Continuation**" means the continuation of the Company from the CBCA to the BCBCA in accordance with Section 302 of the BCBCA.

"**Continuation Application**" means the continuation application, substantially in the form attached hereto as Schedule "K".

"**Continuation Articles**" means the articles, substantially in the form attached hereto as Schedule "L", that the Company will have once it is continued into British Columbia in accordance with the BCBCA and prior to the Effective Time of the Amalgamation.

"**Company's 2019 Financial Statements**" means the audited financial statements of the Company together with the auditors' report thereon and the notes thereto as at and for the year ended December 31, 2019.

"**Company's 2020 Financial Statements**" means the audited financial statements of the Company together with the auditors' report thereon and the notes thereto as at and for the year ended December 31, 2020.

"**Company's Board**" means the board of directors of the Company as may be constituted from time to time.

"**Company's Board Recommendation**" has the meaning given to the term in section 8.03.

"**Current Assets**" means cash and cash equivalents, accounts receivable, inventory and prepaid expenses, but excluding (a) the portion of any prepaid expense of which Purchaser will not receive the benefit following the Closing; (b) deferred Tax assets; and (c) receivables from any of the Company's Affiliates, directors, employees, officers or shareholders and any of their respective Affiliates, determined in accordance with IFRS applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of

the Annual Financial Statements for the most recent financial year end as if such accounts were being prepared on an audited basis as of a financial year end.

"**Current Liabilities**" means accounts payable, accrued Taxes and accrued expenses, but excluding payables to any of the Company's Affiliates, directors, employees, officers or shareholders and any of their respective Affiliates, deferred Tax liabilities and the current portion of long term debt, determined in accordance with IFRS applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Annual Financial Statements for the most recent financial year end as if such accounts were being prepared on an audited basis as of a financial year end.

"**Damages**" means any loss, liability, damage, or out-of-pocket expense, (including reasonable legal fees and expenses), whether or not involving a Third Party Claim.

"**Debt**" means, without duplication, any of the following: (i) indebtedness or guarantees for borrowed money, including all indebtedness of others guaranteed by such Person or any Subsidiary thereof; (ii) all liabilities evidenced by bonds, debentures, notes, or other similar instruments or debt securities (including any debentures or notes that are convertible into any equity interests in such Person or any Subsidiary thereof); (iii) all liabilities under or in connection with letters of credit relating to indebtedness not included in the liabilities or bankers' acceptances or similar items; (iv) all liabilities under capitalized leases; (v) all liabilities under conditional sale or other title retention agreements; (v) all liabilities with respect to vendor advances or any other advances made to such Person or any Subsidiary thereof; and (vi) all accrued interest, fees and other expenses owed with respect to the indebtedness referred to herein, including prepayment penalties, termination fees, reimbursements, indemnities, letters of credit and bankers' acceptances and consent fees, "breakage" costs, "break fees" or similar payments or contractual charges incurred by such Persons or any Subsidiary thereof in connection with the transaction contemplated hereof, which would be payable if such indebtedness were paid in full as of the Effective Date.

"**Directed Selling Efforts**" has the meaning ascribed thereto in Regulation S.

"**Disputed Amounts**" has the meaning set forth in Section 2.02(c)(iii).

"**Dissent Rights**" means the dissent rights exercisable by the Embark Shareholders in connection with the Continuation pursuant to Section 190 of the CBCA and in connection with the Amalgamation pursuant to 272 of the BCBCA.

"**Earn-Out Calculation**" has the meaning set forth in Section 2.03(b)(i).

"**Earn-Out Calculation Delivery Date**" has the meaning set forth in Section 2.03(b)(i).

"**Earn-Out Calculation Objection Notice**" has the meaning set forth in Section 2.03(b)(ii).

"**Earn-Out Calculation Statement**" has the meaning set forth in Section 2.03(b)(i).

"**Earn-Out Multiple**" means 0.20.

"**Earn-Out Amount**" has the meaning set forth in Section 2.03(a).

"**Earn-Out Period**" means the period beginning on January 1, 2022 and ending on December 31, 2024.

"**Earn-Out Preferred Shares**" means Series A, Series B and Series C Earn-Out Preferred Shares in the capital of the BevCanna, having provisions in the articles of BevCanna substantially in the form attached hereto as Schedule "M".

"**Earn-Out Shareholders**" means the holders, from time to time, of the Earn-Out Preferred Shares.

"**Earnout Shares**" means the Earnout Preferred Shares issued to the Embark Shareholders at Closing as contemplated by this Agreement.

"**EBITDA Threshold**" means, with respect to any Calculation Period, the EBITDA threshold amount for such Calculation Period set forth on Schedule "G".

"**Effective Date**" means the effective date of the Amalgamation as evidenced on the Certificate of Amalgamation.

"**Effective Time**" means the effective time of the Amalgamation as evidenced on the Certificate of Amalgamation.

"**Embark's Business**" means the business of the Company and its Subsidiaries, specifically the business of cannabis and hemp extraction, research and development, product manufacturing and distribution.

"**Embark Circular**" means the management information circular of the Company to be sent to the shareholders of the Company in connection with the Embark Meeting together with all documents enclosed therewith, in such form as agreed upon by the Purchaser and the Company, each acting reasonably, in accordance with Applicable Laws.

"**Embark Closing Documents**" means the documents required to be delivered to the Purchaser by the Company pursuant to section 13.02.

"**Embark Common Shares**" has the meaning given to the term in the recitals hereof.

"**Embark Compensation Securities**" means the issued and outstanding broker warrants and compensation options of the Company (not including the Embark Warrants) issued to certain brokers and finders in connection with the prior sales of the securities of the Company, with each such security exercisable to acquire one Embark Common Share pursuant to the terms of the certificate evidencing such security.

"**Embark Convertible Debentures**" means the outstanding convertible debentures of the Company, the first series of which were issued on October 6, 2020.

"**Embark Disclosure Letter**" means the disclosure letter delivered to the Purchaser concurrently with the execution and delivery of this Agreement.

"**Embark Grid Note**" means the convertible grid promissory note of the Company dated July 18, 2019.

"**Embark Meeting**" means the special meeting of the Embark Shareholders, including any adjournment or postponement thereof, for the purpose of, among other things, considering and approving the Embark Resolution;

"**Embark Options**" means options to purchase Embark Common Shares outstanding pursuant to the Embark Plans.

"**Embark Plans**" means the 2020 omnibus equity incentive plan of the Company and the stock option plan of the Company dated May 28, 2018.

"**Embark Resolution**" means the special resolution of the Embark Shareholders approving the Continuation, the Amalgamation and the adoption of this Agreement, substantially in the form attached hereto as Schedule A.

"**Embark Shareholders**" means the holders of Embark Common Shares immediately prior to Closing.

"**Embark Shareholder Approval**" means approval of the Amalgamation by the holders of at least 66 2/3 percent of the Embark Common Shares present in person or represented by proxy at the Embark Meeting

"**Embark Warrants**" means the outstanding warrants to acquire Embark Common Shares (other than the Embark Compensation Securities).

"**Environmental Laws**" means all Applicable Laws currently in existence in Canada (whether federal, provincial or municipal) relating to the protection and preservation of the environment, occupational health and safety, product safety, product liability or hazardous substances.

"**Escrowed Closing Shares**" means Closing Payment Shares to be issued to the Embark Shareholders pursuant to this Agreement to be held in escrow by the Closing Escrow Agent subject to and in accordance with the terms of this Agreement and the Closing Escrow Agreement.

"**Escrowed Indemnity Shares**" means Closing Payment Shares to be issued to the Vendors pursuant to this Agreement to be held in escrow by the Indemnity Escrow Agent subject to and in accordance with the terms of this Agreement and the Indemnity Escrow Agreement.

"**Estimated Closing Working Capital**" has the meaning set forth in Section 2.02(a)(i).

"**Estimated Closing Working Capital Statement**" has the meaning set forth in Section 2.02(a)(i).

"**Exchange**" means the Canadian Securities Exchange or such other stock exchange on which the Purchaser Common Shares shall be listed.

"**Exchange Conditional Approval**" has the meaning ascribed thereto in Section 9.03.

"**Exchange Ratio**" means the share exchange ratio to be used in determining the number of Closing Payment Shares to be issued to Embark Shareholders at Closing, such share exchange ratio to equal the Closing Value, subject to adjustment in accordance with Section 2.02, divided by the Purchaser Share Closing Price, divided by the number of Embark Common Shares outstanding immediately prior to the Effective Time.

"**Fraud Claim**" means any claim against any one or more of the Parties resulting from, in respect of, connected with, arising out of, under, or pursuant to fraud or fraudulent misrepresentation, intentional misrepresentation, willful or wrongful breach or criminal conduct by such Person or Persons.

"**Governmental Authority**" means and includes, without limitation, any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

"**Hazardous Materials**" means chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products that are regulated by Environmental Laws.

"**Incentive Agreements**" means the amended and restated incentive agreements between the Company and each of Andrew Wong and Curtis Leifso dated February 21, 2021.

"**IFRS**" means International Financial Reporting Standards issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

"**Indemnified Party**" means a Purchaser Indemnified Party or a Company Indemnified Party, as the context requires.

"**Indemnifying Party**" means a party that is required to indemnify any Indemnified Party pursuant to the terms of this Agreement, provided that the Shareholder Representative shall represent the Vendors for the purposes of Sections 15.07 and 15.08.

"**Indemnity Escrow Agent**" means Clark Wilson LLP.

"**Independent Accountant**" has the meaning set forth in Section 2.02(c)(iii).

"**Intellectual Property**" means all trade or brand names, business names, trademarks, service marks, copyrights, patents, patent rights, licences, industrial designs, know-how (including trade secrets and other unpatented or unpatentable proprietary or confidential information, systems or procedures), plant-breeders rights, computer software, inventions, designs and other industrial or intellectual property of any nature whatsoever.

"**Key Employee Agreements**" means employment agreements with each of the Key Employees, in each case in a form satisfactory to the Purchaser.

"**Key Employees**" means each of the individuals listed in Schedule "B".

"**knowledge**" in reference to:

- the Purchaser or Subco means the actual knowledge of Marcello Leone and John Campbell; and

- the Company means the actual knowledge of Bruce Dawson-Scully and Pushp Singh,

after reasonable inquiry.

"**Leased Premises**" means each premises of the Company and the Purchaser, and any of their respective Subsidiaries which such Person occupies as tenants (other than Owned Premises);

"**Lien**" means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition, which, in substance, secures payment, or performance of an obligation.

"**Marketing Expenses**" means the costs incurred by Amalco (including any reasonable fees charged by BevCanna in connection with marketing support) in the sales, promotion and marketing activities related to all product lines.

"**Material Adverse Effect**" means any change, event, violation, circumstance, development or effect that is, or would reasonably be expected to be, taken as a whole, materially adverse to the financial condition or results of operations of the Company, the Purchaser, as the case may be, and their respective Subsidiaries, whether or not arising in the ordinary course of business, *provided that* none of the following (or any result, occurrence, fact, state of facts, event, circumstance, condition, change or effect resulting from, in connection with or attributable to any of them) will, in each case, be deemed to constitute a "Material Adverse Effect" or be considered in determining whether a "Material Adverse Effect" has occurred:

(a) any failure by the Company, the Purchaser and any of their respective Subsidiaries, the Assets or the Business to meet projections or forecasts or revenue or earnings predictions for any period ending on or after September 19, 2021, and any reasonable business decisions made with respect thereto, provided that this clause (a) shall not prevent the underlying facts giving rise or contributing to such failure, if not otherwise excluded from the definition of Material Adverse Effect, from being taken into account in determining whether a Material Adverse Effect has occurred;

(b) any natural disaster, pandemic, force majeure event or any acts of terrorism, pandemic (not including any effect of the COVID-19 pandemic prior to September 19, 2021), sabotage, military action or war (whether or not declared) or any escalation or worsening thereof;

(c) conditions generally affecting (i) the industry in which the Company, the Purchaser or their respective Subsidiaries participates (including, for greater certainty, changes proposed or made by any Governmental Authority to pricing, reimbursement rates or other terms applicable to the Business); or (ii) the Canadian economy as a whole;

(d) general economic or political conditions or financing or the capital markets in general;

(e) the execution, delivery, announcement or pendency of this Agreement or the transactions contemplated hereby, the consummation of the transactions contemplated hereby, compliance with the terms of, the taking of any action or omission required by, this Agreement or in connection with the transactions contemplated hereby, or the taking of any action or omission requested, required or approved in writing by the Purchaser (in respect to the Company) or the Company (in respect to the Purchaser or Subco); and

(f) any change in accounting requirements or principles (including IFRS), Applicable Laws or Authorizations (including those forming part of the Assets) or the interpretation thereof by any Governmental Authority,

provided, however, that if any change, event, occurrence, effect, state of facts or circumstance in clauses (b), (c), (d) and (f) above has a disproportionate effect on the Company, the Purchaser, as the case may be, and their respective Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Company and the Purchaser operate, such effect may be taken into account in determining whether a Material Adverse Effect has occurred.

"**Material Contract**" means any Contract entered into by the Company (or any of its Subsidiaries), (i) which has payment obligations on the part of such Party that exceed $5,000, (ii) which has been entered into out of the ordinary course of business, (iii) for which breach, non-performance, cancellation or failure to renew could reasonably be expected to have a Material Adverse Effect on the Company, (iv) pursuant to which any payment or third party consent may be triggered in connection with such Party entering into this Agreement or carrying out the transactions contemplated thereby, or (v) which can reasonably be regarded as material to a securityholder of such Party.

"**Material Premises**" means the Leased Premises and the Owned Premises as applicable to each of the Company, and its Subsidiaries.

"**Maximum Earn-Out Amount**" , with respect to any Calculation Period, the maximum Earn-Out amount for such Calculation Period set forth on Schedule "G".

"**Money Laundering Laws**" has the meaning given to the term in section 5.45.

"**Nano Convertible Debentures**" means the issued and outstanding convertible debentures of Embark Nano Inc. dated August 6, 2019 and September 18, 2019.

"**Nano Warrants**" has the meaning given to the term in Section 5.21(f)(iii).

"**Non-Competition Agreements**" means non-competition agreements with each of the Key Employees, in each case in a form satisfactory to the Purchaser.

"**Original Agreement**" has the meaning given to the term in the recitals to this Agreement.

"**Outside Date**" means December 17, 2021.

"**Owned Premises**" means the real property owned by the Company, as and any of its Subsidiaries comprised of land and building (excepting mines and minerals).

"**Payment Shares**" means, collectively, the Closing Payment Shares and Earn-Out Preferred Shares issuable pursuant to the Amalgamation.

"**Parties**" means collectively, the Company, Subco, the Shareholder Representatives, the Vendors and the Purchaser, and "**Party**" means any one of them.

"**Permitted Liens**" means: (i) statutory Liens for current Taxes that are not yet due and payable as of the Effective Date or are being contested in good faith by appropriate proceedings; (ii) other Liens that arise or are incurred in the ordinary course of business (other than in connection with any Debt), are not material in amount and do not adversely affect the title of, materially detract from the value of or materially interfere with any present use of, the assets or properties affected by such Lien.

"**Person**" includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.

"**Post-Closing Adjustment**" has the meaning set forth in Section 2.01(b)(ii).

"**Privacy Laws**" means all Laws relating to privacy or data protection, including, the *Personal Information Protection and Electronic Documents Act* (Canada) and CASL;

"**Proportionate Share**" means, in respect to each Vendor, the quotient, expressed as a percentage, which is obtained when the number of Embark Common Shares owned by the Vendor is divided by the aggregate number of Embark Common Shares held by all of the Vendors.

"**Purchaser**" has the meaning given to the term in the preamble hereof.

"**Purchaser and Subco Closing Documents**" means the documents required to be delivered to the Company by the Purchaser and Subco pursuant to section 13.03.

"**Purchaser Common Shares**" means common shares in the capital of the Purchaser.

"**Purchaser Indemnified Parties**" means (i) the Purchaser and its directors, officers, employees, agents and representatives, and "**Purchaser Indemnified Party**" means any one of them.

"**Purchaser Recoverable Amount**" has the meaning given to the term in Section 15.06(a).

"**Purchaser Share Closing Price**" has the meaning given to that term in Section 2.01(a).

"**Purchaser's Business**" means the business of the Purchaser and its Subsidiaries, specifically providing cannabis processing and white label manufacturing services and products.

"**Purchaser's Public Record**" means, collectively, all of the documents that have been filed by or on behalf of the Purchaser on SEDAR since July 2, 2019.

"**Qualified Offering**" means an equity financing for minimum aggregate gross proceeds of $3,000,000 and completed concurrently or in connection with a transaction contemplated by the definition of a "Go Public Transaction" as set out in the Embark Convertible Debentures.

"**Registrar**" means the person appointed as the Registrar of Companies under section 400 of the BCBCA.

"**Regulation D**" means Regulation D adopted by the SEC under the 1933 Act.

"**Regulation S**" means Regulation S adopted by the SEC under the 1933 Act.

"**Representative**" has the meaning given to the term in section 11.01.

"**Resolution Period**" has the meaning set forth in Section 2.02(c)(ii).

"**Return on Capital Expenses**" means the rate of return on capital expenditures, which is be calculated as 23.5% of the annual capital asset purchases incurred in each Calculation Period.

"**Review Period**" has the meaning set forth in Section 2.02(c)(i).

"**SEC**" means the United States Securities and Exchange Commission.

"**Securities Act**" means the Securities Act (British Columbia).

"**Securities Authorities**" means the federal, state and provincial securities commissions and/or other securities regulatory authorities in Canada and the United States, including the SEC, and any stock exchanges or other self-regulatory agencies having authority over BevCanna or Embark (as applicable), including the Exchange.

"**Securities Laws**" means collectively, all securities laws in each of the jurisdictions applicable to the Purchaser or the Company, as applicable, and the respective rules and regulations made thereunder together with applicable multilateral and national instruments, orders, rulings, rules and other regulatory instruments issued or adopted by each securities commission (or similar securities regulatory authority) in each jurisdiction applicable to the Purchaser or the Company, as applicable.

"**Services Agreement**" means the services agreement among the Company, Ontario Marihuana Growers Inc. and Niklas Van Haeren dated July 18, 2019.

"**Settlement Price**" means $0.45 per Purchaser Common Share, provided that if and whenever at any time prior to the Effective Date the Purchaser shall:

(i) subdivide or re-divide the outstanding Purchaser Common Shares into a greater number of Purchaser Common Shares;

(ii) reduce, combine or consolidate the outstanding Purchaser Common Shares into a smaller number of Common Shares; or

(iii) issue Purchaser Common Shares, or securities convertible into Purchaser Common Shares, to the holders of all or substantially all of the outstanding Purchaser Common Shares by way of stock dividend other than a dividend paid in the ordinary course,

then the price under subsection (i) and (ii) above in effect on the effective date of such subdivision, re-division, reduction, combination or consolidation or on the record date for such issue of Purchaser Common Shares, or securities convertible into or exchangeable for Purchaser Common Shares, by way of a stock dividend, as they case may be, shall:

(iv) in the case of the events referred to in subsections (i) and (iii) above, be adjusted in proportion to the number of outstanding Purchaser Common Shares resulting from such subdivision, re-division or dividend (including, in the case where securities convertible into or exchangeable for Purchaser Common Shares are issued, the number of Purchaser Common Shares that would have been outstanding had such securities been converted into or exchanged for Purchaser Common Shares on such record date); or

(v) in the case of events referred to in subsection (ii) above, be adjusted in proportion to the number of outstanding Purchaser Common Shares resulting from such reduction, combination or consolidation.

"**Shareholder Loans**" means those shareholder loans as set out and described in Section 5.31 of the Embark Disclosure Letter.

"**Shareholder Representative**" means Bruce Dawson-Scully.

"**Statement of Objections**" has the meaning set forth in Section 2.02(c)(ii).

"**Subco**" has the meaning given to the term in the preamble hereof.

"**Subco Common Shares**" means all of the outstanding common shares in the capital of Subco.

"**Subsidiary**" means a Person that is controlled directly or indirectly by another Person and includes a Subsidiary of that Subsidiary. A Person is considered to "**control**" another Person if: (a) the first Person beneficially owns or directly or indirectly exercises control or direction over securities of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person, unless that first Person holds the

voting securities only to secure an obligation; (b) the second Person is a partnership, other than a limited partnership, and the first Person holds more than 50% of the interests of the partnership; or (c) the second Person is a limited partnership, and the general partner of the limited partnership is the first Person.

"**Substantial U.S. Market Interest**" means substantial U.S. market interest as that term is defined in Regulation S;

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Taxes**" means taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto.

"**Third Party Claim**" means any action, suit, proceeding, arbitration, claim or demand that is instituted or asserted by a third party, including a Governmental Authority, against an Indemnified Party which entitles the Indemnified Party to make a claim for indemnification under this Agreement.

"**Undisputed Amounts**" has the meaning set forth in Section 2.02(c)(iii).

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**Vendors**" means the persons listed on Schedule "F".

"**VWAP**" means for an applicable date means the price per Purchaser Common Share based on the volume weighted average trading price of the Purchaser Common Shares on the Exchange, calculated by dividing the total value by the total volume of Purchaser Common Shares traded on the Exchange for the five trading days immediately preceding the applicable date.

"**Woodstock Facility**" means the lands legally described as PART OF LOTS 168C-170C PLAN 293 AND PART OF FIRST STREET PLAN 293 (CLOSED BY 484) BEING PARTS 9 & 10, 41R9639; CITY OF WOODSTOCK together with the building and structure thereon.

"**Woodstock Guarantee**" means the confidential memorandum of agreement dated September 9, 2021 between Embark and Nik Van Haeren.

"**Woodstock MOA**" means the confidential memorandum of agreement dated August 3, 2021 as amended between Embark, WDSK Inc., Trigon Construction Management Inc., Ontario Marihuana Growers Inc. and Niklas Van Haeren.

"**Woodstock Mortgage**" means the loan and related mortgage and charge on the Woodstock Facility in connection with the commitment letter dated August 20, 2021 executed by TriLend Inc. and the Company that contemplates a loan amount of $3M or 50% of the value of the Woodstock Facility, whichever is less, and pursuant to which the Company has, as of September 19, 2021, received an advance of $1M in gross proceeds.

1.02 Shareholder Representative.

(a) The Shareholder Representative is hereby appointed to act on behalf of the Embark Shareholders with respect to this Agreement, the Earn-Out Preferred Shares and the Closing Escrow Agreement and to take any and all actions and make any decisions required or permitted to be taken by Shareholder Representative under this Agreement or the Escrow Agreement, including the exercise of the power to:

(i) give and receive notices and communications;

(ii) authorize delivery to Purchaser for cancellation of Payment Shares from the Closing Escrow Agreement in satisfaction of any amounts owed to Purchaser pursuant to Section 2.02(b);

(iii) agree to, negotiate, enter into settlements and compromises of, and comply with orders or otherwise handle any other matters described in Section 2.02(b) and Section 2.03;

(iv) agree to, negotiate, enter into settlements and compromises of, and comply with orders of courts with respect to claims for indemnification made by Purchaser under Article XV;

(v) litigate, arbitrate, resolve, settle or compromise any claim for indemnification under Article XV;

(vi) execute and deliver all documents necessary or desirable to carry out the intent of this Agreement and any Ancillary Agreements (including the Closing Escrow Agreement);

(vii) make all elections or decisions contemplated by this Agreement and any Ancillary Agreements (including the Closing Escrow Agreement);

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

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

(b) Purchaser shall be entitled to deal exclusively with Shareholder Representative on all matters relating to this Agreement and shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document executed or purported to be executed on behalf of any Embark Shareholder by Shareholder Representative, and on any other action taken or purported to be taken on behalf of any Embark Shareholder by Shareholder Representative, as being fully binding upon such Person.

(c) Notices or communications to or from Shareholder Representative shall constitute notice to or from each Embark Shareholder. Any decision or action by Shareholder

Representative under this Agreement, including any agreement between Shareholder Representative and Purchaser relating to the defence, payment or settlement of any claims for indemnification under this Agreement, shall constitute a decision or action of all Vendors and shall be final, binding and conclusive upon each such Person.

(d) No Shareholder shall have the right to object to, dissent from, protest or otherwise contest the same.

(e) The provisions of this Section are independent and severable, are irrevocable and coupled with an interest and shall not be terminated by any act of any one or more Vendors or by operation of Law, whether by death or other event.

(f) The Shareholder Representative may resign at any time, and may be removed for any reason or no reason by the vote or written consent of a majority in interest of the Vendors according to each Vendor's Proportionate Share (the "**Majority Vendors**"); *provided that*, in no event shall Shareholder Representative resign or be removed without the Majority Vendors having first appointed a new Shareholder Representative who shall assume such duties immediately upon the resignation or removal of Shareholder Representative. In the event of the death, incapacity, resignation or removal of Shareholder Representative, a replacement Shareholder Representative shall be appointed by the vote or written consent of the Majority Vendors. Notice of such vote or a copy of the written consent appointing such new Shareholder Representative shall be sent to Purchaser, such appointment to be effective upon the later of the date indicated in such consent or the date such notice is received by Purchaser; *provided that,* until such notice is received, Purchaser shall be entitled to rely on the decisions and actions of the prior Shareholder Representative.

(g) Shareholder Representative shall not be liable to the Embark Shareholders for actions taken pursuant to this Agreement or the Closing Escrow Agreement, except to the extent that such actions shall have been determined by a court of competent jurisdiction to have constituted gross negligence or involved fraud, intentional misconduct or bad faith (it being understood that any act done or omitted pursuant to the advice of counsel, accountants and other professionals and experts retained by Shareholder Representative shall be deemed to have been made in good faith).

ARTICLE II
PURCHASE PRICE & ADJUSTMENTS

2.01 Subject to the terms and conditions of this Agreement, the purchase price payable by the Purchaser for all of the Embark Common Shares shall be $21,000,000 (the "**Closing Value**"), subject to adjustment as provided herein, plus the contingent value of the Earn-Out Preferred Shares, to be paid and satisfied as follows:

(a) the Payment Shares shall be issued at Closing by the Purchaser in accordance with the Amalgamation, at a deemed price equal to the Settlement Price (the "**Purchaser Share Closing Price**"), and delivered to the Shareholder Representative and to the Closing Escrow Agent for the benefit of the Embark Shareholders; and

(b) the Earn-Out Preferred Shares shall be issued at Closing by the Purchaser in accordance with the Amalgamation, and delivered to the Shareholder Representative and to the Closing Escrow Agent for the benefit of the Embark Shareholders on the basis of one share of each series of Earn-Out Preferred Shares for each Closing Payment Share issued for the benefit of such Embark Shareholder pursuant to Section 2.01(a).

2.02 Purchase Price Adjustment.

(a) **Closing Adjustment.**

(i) At least five Business Days before the Closing, the Shareholder Representative shall prepare and deliver to Purchaser a statement setting forth its good faith estimate of Closing Working Capital (the "**Estimated Closing Working Capital**"), which statement shall contain an estimated balance sheet of the Company as of the Closing Date (without giving effect to the transactions contemplated herein), a calculation of Estimated Closing Working Capital (the "**Estimated Closing Working Capital Statement**"), and a certificate of the Shareholder Representative that the Estimated Closing Working Capital Statement was prepared in accordance with IFRS applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Annual Financial Statements for the most recent financial year end as if such Estimated Closing Working Capital Statement was being prepared on an audited basis as of a financial year end.

(ii) If the Estimated Closing Working Capital is a positive number, the Closing Value shall be increased by the amount of the Estimated Closing Working Capital. If the Estimated Closing Working Capital is a negative number, the Closing Value shall be reduced an amount equal to the Estimated Closing Working Capital.

(b) Post-Closing Adjustment.

(i) Within 90 days after the Closing Date, Purchaser shall prepare and deliver to the Shareholder Representative a statement setting forth Purchaser's calculation of Closing Working Capital, which statement shall contain an unaudited balance sheet of the Company as of the Closing Date (without giving effect to the transactions contemplated herein), a calculation of Closing Working Capital (the "**Closing Working Capital Statement**") and a certificate of the Chief Financial Officer of Purchaser that the Closing Working Capital Statement was prepared in accordance with IFRS applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Annual Financial Statements for the most recent financial year end as if such Closing Working Capital Statement was being prepared on an audited basis as of a financial year end.

(ii) The post-closing adjustment shall be an amount equal to the Closing Working Capital minus the Estimated Closing Working Capital (the "**Post-Closing Adjustment**"). If the Post-Closing Adjustment is a positive number upon final determination set forth in Section 2.02(c), Purchaser shall issue Purchaser Common Shares having an aggregate value, calculated using the Settlement Price, equal to the Post-Closing Adjustment (and correlated Earn-Out Shares) and deliver such shares to the Closing Escrow Agent to be held in accordance with the terms and conditions of the Closing Escrow Agreement. If the Post-Closing Adjustment is a negative number upon final determination set forth in Section 2.02(c), the Escrow Agent shall release to Purchaser for cancellation Purchaser Common Shares having an aggregate value, calculated using the Settlement Price, equal to the Post-Closing Adjustment expressed as a positive number (and correlated Earn-Out Shares).

(c) Examination and Review.

(i) **Examination**. After receipt of the Closing Working Capital Statement, the Shareholder Representative shall have 30 days (the "**Review Period**") to review the Closing Working Capital Statement. During the Review Period, the Shareholder Representative and the Shareholder Representative's accountant shall have full access to the books and records of the Company, the personnel of, and work papers prepared by, Purchaser or Purchaser's accountant, or both, to the extent that they relate to the Closing Working Capital Statement and to such historical financial information (to the extent in Purchaser's possession) relating to the Closing Working Capital Statement as the Shareholder Representative may reasonably request for the purpose of reviewing the Closing Working Capital Statement and to prepare a Statement of Objections (defined below), provided that such access shall be in a manner that does not interfere with the normal business operations of Purchaser or Amalco.

(ii) **Objection**. On or before the last day of the Review Period, the Shareholder Representative may object to the Closing Working Capital Statement by delivering to Purchaser a written statement setting forth Shareholder Representative's objections in reasonable detail, indicating each disputed item or amount and the basis for Shareholder Representative's disagreement therewith (the "**Statement of Objections**"). If Shareholder Representative fails to deliver the Statement of Objections before the expiration of the Review Period, the Closing Working Capital Statement and the Post-Closing Adjustment, as the case may be, reflected in the Closing Working Capital Statement shall be deemed to have been accepted by Shareholder Representative. If Shareholder Representative delivers the Statement of Objections before the expiration of the Review Period, Purchaser and Shareholder Representative shall negotiate to resolve such objections within 30 days after the delivery of the Statement of Objections (the "**Resolution Period**"), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustment and the Closing Working Capital Statement with such changes as may have been previously agreed in writing by Purchaser and Shareholder Representative, shall be final and binding.

(iii) **Resolution of Disputes**. If Shareholder Representative and Purchaser fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute ("**Disputed Amounts**" and any amounts not so disputed, the "**Undisputed Amounts**") shall be submitted for resolution to the office of an impartial nationally recognized firm of independent chartered professional accountants other than Shareholder Representative's accountant or Purchaser's accountant appointed by Purchaser and Shareholder Representative by mutual agreement (the "**Independent Accountant**") who, acting as an expert and not as an arbitrator, shall resolve the Disputed Amounts only and make any adjustments to the Post-Closing Adjustment, as the case may be, and the Closing Working Capital Statement. The parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountant shall only decide the specific items under dispute by the parties and its decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Working Capital Statement and the Statement of Objections, respectively.

(iv) **Fees of the Independent Accountant**. The fees and expenses of the Independent Accountant shall be paid by Shareholder Representative, on the one hand, and by Purchaser, on the other hand, based upon the percentage that the amount actually contested but not awarded to Shareholder Representative or Purchaser, respectively, bears to the aggregate amount actually contested by Shareholder Representative and Purchaser.

(v) **Determination by Independent Accountant**. The Independent Accountant shall make a determination as soon as practicable within 30 days (or such other time as the parties hereto shall agree in writing) after its engagement, and its resolution of the Disputed Amounts and its adjustments to the Closing Working Capital Statement and the Post-Closing Adjustment shall be conclusive and binding upon the parties hereto.

(vi) **Payments of Post-Closing Adjustment**. Except as otherwise provided herein, any payment of the Post-closing Adjustment shall (A) be due (x) within five Business Days of acceptance of the applicable Closing Working Capital Statement or (y) if there are Disputed Amounts, then within five Business Days of the resolution described in Section 2.02(c)); and (B) be settled by the issuance of additional Closing Payment Shares (and correlated Earn-Out Shares) for delivery to the Closing Escrow Agent or the release from escrow of Closing Payment Shares (and correlated Earn-Out Shares) for cancellation, as applicable, in a manner consistent with the provisions contemplated in Section 2.02(b)(ii). The amount of any Post-closing Adjustment shall not bear interest.

(d) If the Woodstock Facility is sold by the Company in a bona fide arm's length transaction at any time within 18 months of Closing, the purchase price shall be further adjusted (the "**Woodstock Adjustment**") by increasing it by an amount equal to the cash proceeds of disposition received by the Company, net of (i) all amounts payable

pursuant to the terms of the Woodstock MOA and/or the Woodstock Guarantee, (ii) all taxes payable by Embark or Embark Woodstock Inc., (iii) all expenses incurred by the Company in connection with such sale, including commissions, legal fees, brokers and agents fees and (iv) any amount owing under the Woodstock Mortgage. Any payment of the Woodstock Adjustment shall be due within 20 Business Days following the closing of the disposition of the Woodstock Facility and shall be settled by the issuance of Purchaser Common Shares having an aggregate value, calculated using the VWAP on the closing date of the disposition of the Woodstock Facility, equal to the Woodstock Adjustment (and correlated Earn-Out Shares) and deliver such shares to the Closing Escrow Agent to be held in accordance with the terms and conditions of the Closing Escrow Agreement. During the 18 month period following Closing, the Purchaser hereby covenants to: (i) use commercially reasonable efforts to sell the Woodstock Facility in a bona fide arm's length transaction on commercially reasonable terms; and (ii) provide the Shareholder's Representative reasonable opportunity to review and comment on the material terms and transaction documents of such sale.

(e) **Adjustments for Tax Purposes**. Any payments made under Section 2.02 shall be treated as an adjustment to the purchase price by the parties for Tax purposes, unless otherwise required by Law.

2.03 Earn-Out

(a) **Earn-Out Amount**. Pursuant to the terms and conditions of this Agreement and in accordance with the Earn-Out Share Provisions and Section 2.03(c), Purchaser shall cause the Earn-Out Shares to be converted or redeemed, as applicable, with respect to each Calculation Period within the Earn-Out Period in order to satisfy an amount, if any (each, an "**Earn-Out Amount**"), equal to the product of (i) an amount equal to (A) the Adjusted EBITDA for such Calculation Period, minus (B) the EBITDA Threshold for such Calculation Period; multiplied by (ii) the Earn-Out Multiple; provided that in no event shall the Earn-Out Amount be greater than the Maximum Earn-Out Amount for any Calculation Period. If the Adjusted EBITDA for a particular Calculation Period does not exceed the applicable EBITDA Threshold, the Earn-Out Amount for such Calculation Period shall be nil and an amount equal to the amount of such shortfall shall be deducted from the Adjusted EBITDA when calculating the Earn-Out Amount for the next Calculation Period.

(b) **Procedures Applicable to Determination of the Earn-Out Payments.**

(i) On or before the date which is 120 days after the last day of each Calculation Period (each such date, an "**Earn-Out Calculation Delivery Date**"), Purchaser shall prepare and deliver to Shareholder Representative a written statement (in each case, an "**Earn-Out Calculation Statement**") setting forth in reasonable detail the Purchaser's determination of Adjusted EBITDA for the applicable Calculation Period and calculation of the resulting Earn-Out Payment (in each case, an "**Earn-Out Calculation**").

(ii) Shareholder Representative shall have 30 days after receipt of the Earn-Out Calculation Statement for each Calculation Period (in each case, the "**Review Period**") to review the Earn-Out Calculation Statement and the Earn-Out Calculation set forth therein. During the Review Period, Shareholder Representative and its accountants shall have the right to inspect Amalco's books and records during normal business hours at Amalco's offices, upon reasonable prior notice and solely for purposes reasonably related to the determinations of Adjusted EBITDA and the resulting Earn-Out Payment. Before the expiration of the Review Period, Shareholder Representative may object to the Earn-Out Calculation set forth in the Earn-Out Calculation Statement for the applicable Calculation Period by delivering a written notice of objection (an "**Earn-Out Calculation Objection Notice**") to Purchaser; provided that the only basis on which Shareholder Representative may dispute any matter in the Earn-Out Calculation is manifest error. Any Earn-out Calculation Objection Notice shall specify the items in the applicable Earn-Out Calculation disputed by Shareholder Representative and shall describe in reasonable detail the basis for such objection and the amount in dispute. If Shareholder Representative fails to deliver an Earn-Out Calculation Objection Notice to Purchaser before the expiration of the Review Period, then the Earn-Out Calculation set forth in the Earn-Out Calculation Statement shall be final and binding on the parties hereto. If Shareholder Representative timely delivers an Earn-Out Calculation Objection Notice, Purchaser and Shareholder Representative shall negotiate in good faith to resolve the disputed items and agree upon the resulting amount of the Adjusted EBITDA and the Earn-Out Payment for the applicable Calculation Period. If Purchaser and Shareholder Representative have not reached an agreement within 30 days after such an Earn-Out Calculation Objection Notice has been given, all unresolved disputed items shall be promptly referred to an impartial nationally recognized firm of independent chartered professional accountants, other than Shareholder Representative's accountant or Purchaser's accountant, appointed by mutual agreement of Purchaser and Shareholder Representative (the "**Independent Accountant**"). The Independent Accountant shall be directed to render a written report on the unresolved disputed items with respect to the applicable Earn-Out Calculation as promptly as practicable but in no event greater than 30 days after such submission to the Independent Accountant, and to resolve only those unresolved disputed items set forth in the Earn-Out Calculation Objection Notice. If unresolved disputed items are submitted to the Independent Accountant, Purchaser and Shareholder Representative shall each furnish to the Independent Accountant such work papers, schedules and other documents and information relating to the unresolved disputed items as the Independent Accountant may reasonably request. The Independent Accountant shall resolve the disputed items as an expert and not as an arbitrator based solely on the applicable definitions and other terms in this Agreement and the presentations by Purchaser and Shareholder Representative, and not by independent review. The resolution of the dispute and the calculation of Adjusted EBITDA that is the subject of the applicable Earn-Out Calculation Objection Notice by the Independent Accountant shall be final and binding on the parties hereto. The fees and

expenses of the Independent Accountant shall be borne by Shareholder Representative and Purchaser in proportion to the amounts by which their respective calculations of Adjusted EBITDA differ from Adjusted EBITDA as finally determined by the Independent Accountant.

(c) **Timing of Earn-Out Share Conversion and Redemption**. Any Earn-Out Amount calculated under Section 2.03(a) shall be satisfied in full by the conversion or redemption of Earn-Out Shares no later than 20 Business Days following the date upon which the determination of Adjusted EBITDA for the applicable Calculation Period becomes final and binding upon the parties as provided in Section 2.03(b)(ii) (including any final resolution of any dispute raised by Shareholder Representative in an Earn-Out Calculation Objection Notice). Purchaser shall cause the applicable Earn-Out Amount to be settled in accordance with the Earn-Out Share Provisions in either cash (via redemption of Earn-Out Shares), or Purchaser Common Shares (via conversion of Earn-Out Shares) (the "**Earn-Out Consideration Shares**"), or a combination of both, in the sole discretion of the board of directors of BevCanna. Any Earn-Out Consideration Shares issued to the holders of Earn-Out Shares pursuant to the provisions of this Section 2.03(c) shall be issued at the VWAP of the Earn-Out Consideration Shares in accordance with the Earn-Out Share Provisions.

(d) **Post-Closing Operation of Amalco**. Subject to the terms of this Agreement, subsequent to the Closing, Purchaser and Amalco shall have exclusive discretion with regard to all matters relating to the operation of Amalco; provided that, during the Earn-Out Period Purchaser shall use reasonable commercial efforts to (i) operate Amalco as a stand-alone division, cause Amalco to maintain its own audited financial statements in accordance with IFRS, and not transfer any material portion of the assets of Amalco to any other Affiliate of Purchaser; (ii) refrain from taking any action, omit to take any action, engage in any transaction or series of related transactions, or enter into an agreement to do the same with the intention of reducing the ability of Amalco to achieve any of the Earn-Out Payments; and (iii) subject to the Employment Agreements, maintain the management team of Amalco to be comprised of the Key Employees. Notwithstanding the foregoing, Purchaser has no obligation to operate Amalco to achieve any Earn-Out Payment or to maximize the amount of any Earn-Out Payment.

(e) **Preferred Share Election**. Purchaser will elect in the prescribed time and manner pursuant to subsection 191.2(1) of the *Income Tax Act* (Canada) with respect to any and all classes of Earn-Out Shares.

ARTICLE III
AMALGAMATION AND RELATED MATTERS

3.01 The Amalgamating Parties hereby agree to amalgamate and continue as one corporation pursuant to the BCBCA and upon the terms and conditions hereinafter set out. In addition, subject to the terms and conditions herein set forth and on the basis of the covenants, representations, warranties and agreements of the Parties herein contained, each of the Company, Subco and the Purchaser covenants and agrees to:

(a) use all commercially reasonable efforts and do all things necessary or reasonably desirable on its part to facilitate the implementation of the Acquisition and all related matters in connection therewith, including without limiting the generality of the foregoing, applying for, obtaining and/or effecting as applicable: (i) the approval of the Exchange for the transactions contemplated hereof; (ii) in the case of the Company, obtain Embark Shareholder Approval; and (iii) obtain such other consents, orders or approvals as counsel to the Company and the Purchaser, acting reasonably, may advise are necessary or desirable to be obtained for the implementation of the Acquisition, including without limitation those referred to in Article VIII, Article IX, Article X, Article XII and Article XIII hereof, and preparing and delivering all necessary documents in connection therewith;

(b) take and cause to be taken such other steps and actions and execute such other documents, agreements and instruments as may be reasonably necessary or desirable in connection with the consummation of the transactions contemplated hereby; and

(c) as soon as reasonably practicable following the execution and delivery of this Agreement, the Company shall hold the Meeting in compliance with Applicable Laws and the Company's articles and bylaws.

3.02 Each of the Company and the Purchaser shall:

(a) ensure that all information provided by it or on its behalf that is contained in the Embark Circular (or any other analogous disclosure document) does not contain any misrepresentation or any untrue statement of a material fact or omit to state a material fact required to be stated in the Embark Circular (or any other analogous disclosure document) and necessary to make any statement that it contains not misleading in light of the circumstances in which it is made; and

(b) promptly notify the other Parties if, at any time before the Effective Time, it becomes aware that the Embark Circular (or any other analogous disclosure document) contains a misrepresentation, an untrue statement of material fact, omits to state a material fact required to be stated in the Embark Circular (or any other analogous disclosure document) that is necessary to make any statement it contains not misleading in light of the circumstances in which it is made or that otherwise requires an amendment or a supplement to the Embark Circular (or any other analogous disclosure document).

3.03 As may be required by, and in compliance with, Applicable Laws, upon execution of this Agreement, the Company and the Purchaser shall issue a joint public announcement, announcing the entering into of this Agreement, which announcement shall be in form and substance acceptable to each of them, acting in a commercially reasonable manner, and in accordance with the policies of the Exchange. Except as permitted herein and except as may be required by Applicable Law and the policies of the Exchange, no Party shall issue any news release or public statements inconsistent with such public announcement without the prior written consent of the other party.

3.04 At the Effective Time:

(a) the Amalgamation of the Amalgamating Parties and their continuation as one corporation, Amalco, shall become irrevocable;

(b) Amalco shall be named "Embark Health Inc." and shall have as its notice of articles the notice of articles contained in the Amalgamation Application;

(c) Amalco shall become capable immediately of exercising the functions of an incorporated company under the BCBCA;

(d) each shareholder of each Amalgamating Party shall be bound by this Agreement;

(e) the property, rights and interests of each of the Amalgamating Parties shall continue to be the property, rights and interests of Amalco;

(f) Amalco shall continue to be liable for the obligations of each of the Amalgamating Parties;

(g) any existing cause of action, claim or liability to prosecution shall be unaffected;

(h) any conviction against, or a ruling, order or judgement in favour of or against, any of the Amalgamating Parties may be enforced by or against Amalco;

(i) a legal proceeding being prosecuted or pending by or against an Amalgamating Party may be prosecuted, or its prosecution may be continued, as the case may be, by or against Amalco; and

(j) the articles of Amalco shall be the Amalco Articles.

3.05 The registered office of Amalco shall be 900 – 885 West Georgia Street, Vancouver, BC V6C 3H1.

3.06 Upon the terms and subject to the conditions contained in this Agreement, on the Effective Date:

(a) each issued and outstanding Subco Common Share shall be exchanged for one fully paid Amalco Common Share, and all such Subco Common Shares shall be cancelled;

(b) the holders of Embark Common Shares outstanding immediately prior to the Effective Time, other than dissenting shareholders pursuant to Section 3.08, shall receive, in exchange for their Embark Common Shares, (i) that number of fully paid and non-assessable Purchaser Common Shares issued by the Purchaser equal to the product obtained by multiplying the number of Embark Common Shares held by such holders by the Exchange Ratio, and (ii) one fully paid and non-assessable share of each series of Earn-Out Shares for each Purchaser Common Share issued pursuant to item (i) above, and all such Embark Common Shares shall be cancelled;

(c) in consideration of the issuance by the Purchaser of the Purchaser Common Shares, Amalco shall issue to the Purchaser that number of fully paid Amalco Common Shares as is equal to the number of Purchaser Common Shares issued by the Purchaser pursuant to section 3.06(b);

(d) each issued and outstanding Embark Option shall be cancelled;

(e) each issued and outstanding Embark Compensation Security shall be cancelled; and

(f) all Embark Warrants that have not been exercised prior to the Effective Date shall be cancelled and replaced with BevCanna Replacement Warrants, substantially in the form set out in Schedule O to the Acquisition Agreement, on the following basis: (a) each Embark Warrant with an exercise price of $1.75 will be replaced with one BevCanna Replacement Warrant; and (b) each Embark Warrant with an exercise price of $4.80 will be replaced with 0.303 BevCanna Replacement Warrant.

3.07 Notwithstanding section 3.06, no fractional Purchaser Common Share or Earnout Preferred Share will be issuable to registered security holders of the Company pursuant to the Amalgamation, and no cash payment or other form of consideration will be payable in lieu thereof. Subject to compliance with the policies of the Exchange, any such fractional Purchaser Common Share or Earnout Preferred Share to which a registered security holder of the Company would otherwise be entitled pursuant to the Amalgamation will be rounded down to the nearest whole Purchaser Common Share and Earn-Out Share, respectively.

3.08 Registered Embark Shareholders entitled to vote at the Embark Meeting will be entitled to exercise Dissent Rights with respect to their Embark Shares in connection with the Continuation and the Amalgamation pursuant to and in the manner set forth in the Embark Circular. The Company shall give the Purchaser notice of any written notice of dissent, withdrawal of such notice, and any other instruments serviced pursuant to such dissent rights and received by the Company and shall provide the Purchaser with copies of such notices and written objections. Embark Shares which are held by a dissenting Embark Shareholder shall not be exchanged for Purchaser Common Shares or Earn-Out Shares pursuant to the Amalgamation. However, if a dissenting Embark Shareholder fails to perfect or effectively withdraws such dissenting Embark Shareholder's claim under the CBCA or the BCBCA or forfeits such dissenting Embark Shareholder's right to make a claim under the CBCA or the BCBCA, or if such dissenting Embark Shareholder's rights as a Embark Shareholder are otherwise reinstated, such Embark Shareholder's Embark Shares shall thereupon be deemed to have been exchanged for shares of BevCanna as of the Effective Time as prescribed herein.

3.09 On the Effective Date:

(a) the holders of record of Embark Common Shares shall be, and be deemed to be, the registered holders of the Payment Shares to which they are entitled hereunder, respectively, without any further action on the part of such registered holder of securities in the capital of the Company;

(b) the Purchaser shall, or shall cause or direct its transfer agent to, issue to each holder of record of Embark Common Shares, certificates or other evidence of ownership satisfactory to the Company, acting reasonably (including uncertificated records registered in the name of CDS Clearing and Depository Services Inc. on the book-based securities transfer system administered by it, as directed by the Company, provided that U.S Persons as identified by the Company must be issued physical certificates or DRS Advice), in each case bearing such legends as may be required by the Company, the Exchange or other Governmental Authority, representing the number of Payment Shares to which such holder is entitled, without any further notion on the part of such registered holder of securities in the capital of the Company; and

(c) the Purchaser, as the registered holder of the Subco Common Shares, shall be deemed to be the registered holder of Amalco Common Shares to which it is entitled hereunder and upon surrender of the certificates representing such Subco Common Shares to Amalco, the Purchaser shall be entitled to receive a share certificate representing the number of Amalco Common Shares to which it is entitled as set forth in section 3.06.

3.10 The amount to be added to the stated capital account maintained in respect of Amalco Common Shares in connection with the issue of Amalco Common Shares under section 3.06 on the Effective Date shall be the amount which is the sum of the stated capital of the issued and outstanding Embark Common Shares and of the stated capital of the issued and outstanding Subco Common Shares immediately prior to the Amalgamation.

3.11 Upon the shareholders of the Company and the sole shareholder of Subco approving the Amalgamation on the terms and subject to the conditions set forth in this Agreement and provided that the conditions to the completion of the Amalgamation specified herein have then been satisfied or waived (to the extent such waiver is permitted hereunder), the Company shall file the Continuation Application with the Register and immediately following receipt of the certificate of discontinuance from the Director under the CBCA, Subco and the Company shall jointly file with the Registrar, the Amalgamation Application providing for the Amalgamation and such other documents and instruments as may be required pursuant to the BCBCA.

3.12 Unless otherwise changed in accordance with the provisions of Amalco's articles, the board of directors of Amalco from time to time shall be empowered to determine the number of directors of Amalco within the minimum and maximum number set out in Amalco's articles, as may be amended, restated, supplemented or otherwise modified from time to time.

3.13 As of the Effective Date, the number of directors of Amalco shall be one (1), and the first director of Amalco shall be Marcello Leone and his prescribed address is 1672 West 2nd Avenue, Vancouver, BC V6J 1H4. The director shall hold office until the next annual or annual and special meeting of the sole shareholder of Amalco or until a successor is elected or appointed in accordance with the provisions of Amalco's articles.

3.14 The fiscal year end of Amalco shall end on December 31 of each year, until changed by resolution of the board of directors of Amalco.

3.15 Treatment of Restricted Securities under the U.S. Securities Act. The Parties agree that the Payment Shares issued in connection with the Amalgamation to or for the account or benefit of any former Embark Shareholders who is a U.S. Person (as defined in Regulation S) or person in the United States will be "restricted securities" within the meaning of Rule 144 under the 1933 Act and each certificate representing such Payment Shares will bear a legend in substantially the form that follows:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR UNDER ANY STATE SECURITIES LAWS AND ARE "RESTRICTED SECURITIES" AS THAT TERM IS DEFINED IN RULE 144 UNDER THE 1933 ACT. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF BEVCANNA ENTERPRISES INC. (THE "ISSUER") THAT SUCH SECURITIES MAY BE

OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE ISSUER; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH APPLICABLE UNITED STATES STATE LAWS AND REGULATIONS AND APPLICABLE LOCAL LAWS AND REGULATIONS; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE ISSUER AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE ISSUER TO SUCH EFFECT."

THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE."

3.16 Consultation. Embark and BevCanna will consult with each other in issuing any press release or otherwise making any public statement with respect to this Agreement or the Amalgamation and in making any filing with any Governmental Entity or Securities Authority with respect thereto. Each of Embark and BevCanna shall use its commercially reasonable efforts to enable the other of them to review and comment on all such press releases and filings prior to the release or filing, respectively, thereof, provided, however, that the obligations herein will not prevent a Party from making, after consultation with the other Party, such disclosure as is required by applicable Laws or the rules and policies of any applicable stock exchange.

3.17 Withholding Taxes. BevCanna and Subco will be entitled to deduct and withhold from the Payment Shares deliverable to any former Embark Shareholder such amounts as BevCanna or Subco may be required to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that any amounts are so deducted and withheld, such amounts will be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid. BevCanna or Subco may sell or otherwise dispose of (or direct the disposition or sale of) any portion of the Payment Shares issuable to a former Embark Shareholder as is necessary to provide sufficient funds to enable BevCanna or Subco to comply with such deduction and/or withholding requirements, and the former Embark Shareholder will co-operate to complete any such sale or disposition and will lose all rights in respect of the Payment Shares if they do not co-operate as requested.

3.18 Escrow. Embark acknowledges and agrees that in accordance with the policies of the Exchange and any other applicable stock exchange, the BevCanna Shares issued to certain Embark Shareholders who will be directors and/or officers of BevCanna or of Amalco upon Closing may be subject to escrow under the policies of the Exchange and Applicable Laws.

3.19 BevCanna Guarantee. BevCanna hereby unconditionally and irrevocably guarantees the due and punctual performance by Embark of each and every covenant and obligation of Subco arising

under the Amalgamation. BevCanna hereby agrees that Embark shall not have to proceed first against Subco before exercising its rights under this guarantee against BevCanna.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER AND SUBCO

The Purchaser and Subco hereby jointly and severally represent and warrant to the Company as of September 19, 2021, and acknowledge that the Company is relying upon each of such representations and warranties in connection with the transactions contemplated hereof, that:

4.01 each of the Purchaser and its Subsidiaries has been duly incorporated or otherwise organized and is validly existing as a corporation under the laws of the applicable jurisdiction, and no steps or proceedings have been taken by any person, voluntary or otherwise, requiring or authorizing the dissolution or winding up of the Company or any Subsidiary;

4.02 each of the Purchaser and its Subsidiaries is duly qualified, registered and in good standing to carry on business in each jurisdiction in which the conduct of its respective business or the ownership of its respective property and Assets requires such qualification (except for such jurisdictions where the failure to be so qualified would not result in a Material Adverse Effect) and each has all requisite corporate power and authority to conduct its business and to own, lease and operate its properties and Assets and to execute, deliver and perform its obligations under this Agreement and any other document, filing, instrument or agreement delivered in connection with the transactions contemplated hereof;

4.03 this Agreement has been duly executed and delivered by the Purchaser and Subco and (assuming due authorization, execution and delivery by the Company and the Vendors) constitutes a legal, valid and binding obligation of the Purchaser and Subco, enforceable against the Purchaser and Subco, as applicable, in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally, general principles of equity, and the qualifications that equitable remedies may only be granted in the discretion of a court of competent jurisdiction and except that rights of indemnity, contribution, waiver and the ability to sever unenforceable terms may be limited under Applicable Laws; and when each other Ancillary Agreement to which the Purchaser or Subco is or will be a party has been duly executed and delivered by Purchaser or Subco, as applicable (assuming due authorization, execution and delivery by each other party thereto), such Ancillary Agreement will constitute a legal, valid and binding obligation of the Purchaser and Subco, enforceable against the Purchaser and Subco, as applicable, in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally, general principles of equity, and the qualifications that equitable remedies may only be granted in the discretion of a court of competent jurisdiction and except that rights of indemnity, contribution, waiver and the ability to sever unenforceable terms may be limited under Applicable Laws;

4.04 Subco was formed solely for the purposes of effecting the Amalgamation, has nominal assets and no liabilities and has never conducted any business activities;

4.05 the Purchaser is currently a reporting issuer under Applicable Laws in each of the Provinces of British Columbia and Ontario, and the Purchaser's name does not appear on a list of defaulting reporting issuers maintained by each of the British Columbia Securities Commission and the Ontario Securities Commission. The Purchaser is in compliance and up to date with all material filings under applicable corporate and Securities Laws since July 2, 2019;

4.06 no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Purchaser is in effect and no proceedings for such purpose are, to its knowledge, pending or threatened;

4.07 each of the Purchaser and its Subsidiaries owns or has the right to use all Assets necessary to enable the Purchaser and its Subsidiaries, as applicable, to carry on Purchaser's Business as now conducted and as presently proposed to be conducted as set out in Purchaser's Public Record;

4.08 each of the Purchaser and its Subsidiaries:

(a) is and at all times has been in compliance with all Applicable Laws in all material respects;

(b) has not received any correspondence or notice from any Governmental Authority, that have not been addressed to such Governmental Authority's satisfaction, alleging or asserting material noncompliance with any Applicable Laws or any Authorizations;

(c) possesses all material Authorizations reasonably required for the conduct of Purchaser's Business as currently conducted, and such Authorizations are valid and in full force and effect and the Purchaser, its Subsidiaries and their respective directors and officers are not in violation of any material term of any such Authorization;

(d) other than as disclosed in writing to the Company or the Company's counsel or disclosed in Purchaser's Public Record, has not received notice of any pending or threatened claim, suit, proceeding, charge, hearing, enforcement, audit, investigation, arbitration or other action from any Governmental Authority or third party alleging that any operation or activity of the Purchaser, its Subsidiaries or any of their respective directors and officers is in violation of any Applicable Laws or Authorizations that, if finally determined adversely to the Purchaser would be expected to result in a Material Adverse Effect, and has no knowledge that any such Governmental Authority or third party is considering any such claim, suit, proceeding, charge, hearing, enforcement, audit, investigation, arbitration or other action;

(e) has not received notice that any Governmental Authority has taken, is taking or intends to take action to limit, suspend, modify or revoke any material Authorizations and has no knowledge that any such Governmental Authority is considering such action;

(f) has, or has had on its behalf, filed, declared, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws and to keep all material Authorizations in good standing and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were materially complete and correct on the date filed (or were corrected or supplemented by a subsequent submission); and

(g) is not subject to any judgment, order, writ, injunction, decree or award of any Governmental Authority, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect;

4.09 no proceedings have been taken, are pending or authorized by either the Purchaser or its Subsidiaries or, to the Purchaser's knowledge, by any other Person in respect of the bankruptcy, insolvency, liquidation or winding up of either the Purchaser or its Subsidiaries;

4.10 the Purchaser is authorized to issue an unlimited number of Purchaser Common Shares of which 177,059,763 Purchaser Common Shares are issued and outstanding, prior to giving effect to the Amalgamation. As of the Closing Date, the Purchaser will also be authorized to issue an unlimited number of each series of Earn-Out Shares, or which no Earn-Out Shares will be issued and outstanding prior to giving effect to the Amalgamation. Other than as disclosed in the Purchaser's Public Record, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating the Purchaser to issue or sell any Purchaser Common Shares, Earn-Out Shares or any securities or obligations of any kind convertible into, or exercisable or exchangeable for, any Purchaser Common Shares or Earn-Out Shares;

4.11 the authorized capital of Subco consists of an unlimited number of common shares of which, as of September 19, 2021, 100 common shares of Subco are issued and outstanding;

4.12 on the Effective Date the Payment Shares will be duly and validly issued and outstanding as fully paid and non-assessable;

4.13 each of the execution and delivery of this Agreement and the Ancillary Agreements, the performance by the Purchaser of its obligations hereunder and the consummation of the transactions contemplated in this Agreement:

(a) has been duly authorized by all necessary corporate action on the part of the Purchaser, other than the approval of the BevCanna Resolution);

(b) does not require and is not subject to any filing with, notice to or other Authorization of any Governmental Authority or any other Person, other than the approval of the Exchange and any Governmental Authority responsible for licensing and regulating the Purchaser's Business, filings required under Applicable Securities Laws as are contemplated by this Agreement, corporate filings to be completed in connection with giving effect to the creation of the Earn-Out Shares, the Amalgamation and any other consents, approvals, orders, authorizations, declarations or filings which, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on the Purchaser or Subco;

(c) does not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), (i) any Applicable Law; (ii) the Purchaser's articles (subject to approval of the BevCanna Resolution and corporate filings relating to the amendment of the Purchaser's articles to create the Earn-Out Preferred Shares), or resolutions of the directors or shareholders of the Purchaser or any of its Subsidiaries; (iii) any contract to which the

Purchaser or any of its Subsidiaries is a party or by which it or any of its Subsidiaries are bound except where such conflict, breach, violation or default would not result in a Material Adverse Effect; or (iv) any judgment, decree or order binding the Purchaser or any of its Subsidiaries or the property or Assets thereof; and

(d) does not give any party the right to terminate any Material Contract, by virtue of the application of terms, provisions or conditions in such contract;

4.14 to the knowledge of the Purchaser, none of the materials filed by, or on behalf of, the Purchaser with the applicable Governmental Authorities (including securities regulatory authorities and the Exchange), contained, at the time filed or, if amended, as of the date of such amendment, a misrepresentation (as defined in Securities Laws) or any untrue statement of a material fact or omit to state a material fact necessary in order to make the statement not misleading in light of the circumstances in which it was made. The Purchaser has not filed any confidential material change report which at September 19, 2021 remains confidential;

4.15 since March 31, 2021, there has been no change in the Assets, liabilities (contingent or otherwise), business, affairs, operations, capital or control of the Purchaser and its Subsidiaries that individually or in the aggregate has resulted in a Material Adverse Effect and that has not been disclosed to the Company in writing or available in Purchaser's Public Record; and

4.16 there is not now pending or, to the Purchaser's knowledge, threatened or contemplated against or affecting the Purchaser or any of its Subsidiaries, or any of their respective Assets, or, to the Purchaser's knowledge, any officer or director thereof in their capacity as an officer or director thereof, any litigation, action, suit, investigation, claim, complaint or other proceeding, including appeals and applications for review, by or before any Governmental Authority, which if determined adversely to the Purchaser or any of its Subsidiaries, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Purchaser and Subco as of September 19, 2021, and acknowledges that the Purchaser and Subco are relying upon each of such representations and warranties in connection with the transactions contemplated hereof, that:

5.01 each of the Company and its Subsidiaries has been duly incorporated or otherwise organized and is validly existing as a corporation under the laws of the applicable jurisdiction, and no steps or proceedings have been taken by any person, voluntary or otherwise, requiring or authorizing the dissolution or winding up of the Company or any Subsidiary;

5.02 each of the Company and its Subsidiaries is duly qualified to carry on its business in each jurisdiction in which the conduct of its business or the ownership, leasing or operation of its property and Assets requires such qualification (except for such jurisdictions where the failure to be so qualified would not result in a Material Adverse Effect) and each has all requisite corporate power and authority to conduct its business and to own, lease and operate its properties and Assets and to execute, deliver and perform its obligations under this Agreement

and any other document, filing, instrument or agreement delivered in connection with the transactions contemplated hereof;

5.03 except as set out in the Embark Disclosure Letter, neither the Company nor any of its Subsidiaries is (a) in violation of its articles of incorporation or by-laws; or (b) in default of the performance or observance of any agreement, covenant or condition contained in any contract, indenture, trust deed, joint venture, mortgage, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or its property may be bound, except in the case of clause (b) for any such violations or defaults that do not and would not reasonably be expected to result in a Material Adverse Effect;

5.04 except as set out in the Embark Disclosure Letter and other than Embark Woodstock Inc., Embark Delta Inc., Embark Nano Inc. and Embark Health International Inc., of which the Company is the beneficial owner of 100% of the issued and outstanding securities in the capital of each such Subsidiary, the Company has no direct or indirect investment in any person which currently accounts for or which, for the financial year ended December 31, 2019 and the financial quarter ended March 31, 2021, accounted for, more than five percent of the assets or revenues of the Company or would otherwise be material to the business and affairs of the Company. Except as set out in the Embark Disclosure Letter, the Company owns all of the issued and outstanding shares of Embark Woodstock Inc., Embark Delta Inc., Embark Nano Inc. and Embark Health International Inc. in each case free and clear of all Liens whatsoever other than Permitted Liens, and other than contemplated by this Agreement, including, for certainty, section 5.21 of this Agreement, no person has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement, for the purchase from the Company or any of the Subsidiaries of the Company of any interest in any of the shares in the capital of the Subsidiaries of the Company;

5.05 each of the Company and its Subsidiaries owns or has the right to use all Assets currently owned or used in Embark's Business, including: (a) all contracts that are material to its Business; and (b) all Assets necessary to enable the Company to carry on Embark's Business as now conducted and as presently conducted;

5.06 except as set forth in the Embark Disclosure Letter, and Permitted Liens, no third party has any ownership right, title, interest in, claim in, Lien against or any other right to the Assets purported to be owned by the Company and its Subsidiaries, other than in connection with security interests granted to landlords in connection with the lease agreements entered into by the Company and the landlords in the ordinary course;

5.07 each of the Company, its Subsidiaries and their respective directors and officers (as applicable):

(a) is and at all times has been in compliance with all Applicable Laws in all material respects;

(b) has not received any correspondence or notice from any Governmental Authority, that have not been addressed to such Governmental Authority's satisfaction, alleging or asserting material noncompliance with any Applicable Laws or any Authorizations;

(c) possesses all material Authorizations reasonably required for the conduct of Embark's Business as currently conducted, and such Authorizations are valid and in full force and effect and the Company, its Subsidiaries and their respective directors and officers are not in violation of any material term of any such Authorizations;

(d) except as set forth in the Embark Disclosure Letter, has not received notice of any pending or threatened claim, suit, proceeding, charge, hearing, enforcement, audit, investigation, arbitration or other action from any Governmental Authority or third party alleging that any operation or activity of the Company, its Subsidiaries or any of their respective directors and officers is in violation of any Applicable Laws or Authorizations that, if finally determined adversely to the Purchaser would be expected to result in a Material Adverse Effect, and has no knowledge or reason to believe that any such Governmental Authority or third party is considering any such claim, suit, proceeding, charge, hearing, enforcement, audit, investigation, arbitration or other action;

(e) has not received notice that any Governmental Authority has taken, is taking or intends to take action to limit, suspend, modify or revoke any material Authorizations and has no knowledge or reason to believe that any such Governmental Authority is considering such action;

(f) has, or has had on its behalf, filed, declared, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws and to keep all material Authorizations in good standing and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were materially complete and correct on the date filed (or were corrected or supplemented by a subsequent submission); and

(g) is not subject to any judgment, order, writ, injunction, decree or award of any Governmental Authority, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect;

5.08 the Disclosure Letter provides a complete and accurate description of each *Cannabis Act* license held by the Company or any Subsidiary of the Company as of September 19, 2021, which includes the date, type, capacity, expiry date and production/distribution authorizations and limitations and all written correspondence or written notice received from Health Canada in relation to the *Cannabis Act* licences have been provided to or made available to the Purchaser;

5.09 to the knowledge of the Company, there is no legislation, or proposed legislation (published by a legislative body), which it anticipates will have a Material Adverse Effect on the Company;

5.10 all product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by the Company and its Subsidiaries in connection with its Business is being conducted in accordance with the Company's internal policies, guidelines and protocols and, in all material respects, with all Applicable Laws and best industry practices applicable to its Business; all processes, procedures and practices, required in connection with such activities, are in place as necessary to satisfy all Applicable Laws and best

industry practices applicable to its Business and the Company's internal policies, guidelines and protocols and are being complied with, in all material respects;

5.11 the Company's 2019 Financial Statements have been, and the Company's 2020 Financial Statements will be when delivered, prepared in accordance with IFRS, are consistent in all material respects with the books and records of the Company, present fully, fairly and accurately the Company's Assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Company as of the respective dates thereof and the results of operations and changes in financial position for the respective periods then ended and there are no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) of the Company or other Persons;

5.12 no proceedings have been taken, are pending or authorized by either the Company or its Subsidiaries or, to the Company's knowledge, by any other Person in respect of the bankruptcy, insolvency, liquidation or winding up of either the Company or its Subsidiaries;

5.13 the Company and each of its Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurances that: (a) transactions are executed in accordance with management's general or specific authorization; and (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets;

5.14 except for the approval of the Exchange in connection with the Acquisition and the matters contemplated herein, no Authorization or declaration or filing with any Governmental Authority on the part of the Company is required for the valid execution, delivery and performance of its obligations under this Agreement or the completion of the Acquisition pursuant to this Agreement;

5.15 the Company is not a party to or bound or affected by any commitment, agreement or document which would prohibit or restrict the Company from entering into this Agreement and completing the Acquisition;

5.16 except as set forth in the Embark Disclosure Letter and Permitted Liens, each of the Company and its Subsidiaries has good and marketable title to all of its respective Assets free and clear of any Liens;

5.17 except as set forth in the Embark Disclosure Letter, the Company and each of its Subsidiaries has no obligations or commitments to incur any expenses of any sort whatsoever from September 19, 2021 until completion of the Acquisition, other than expenses incurred in the ordinary course of business and expenses relating to the completion of the Acquisition;

5.18 the authorized capital of the Company consists of an unlimited number of Embark Common Shares and an unlimited number of preferred shares of the Company of which, as of September 19, 2021, 30,941,059 Embark Common Shares and nil preferred shares of the Company are issued and outstanding;

5.19 all outstanding shares of the Company have been duly authorized and validly issued and are fully paid and non-assessable and have been issued in compliance with all Applicable Laws and Securities Laws;

5.20 there are no securities of the Company or of any of its Subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the holders of the outstanding Company Shares on any matter. There are no outstanding contractual or other obligations of the Company to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any of its outstanding securities. There are no outstanding bonds, debentures or other evidences of Indebtedness of the Company or any of its subsidiaries having the right to vote with the holders of the outstanding shares of the Company on any matters.

5.21 other than:

(a) the

(i) 4,449,468 Embark Warrants (each exercisable to acquire one Embark Common Share at an exercise price of $1.75);

(ii) 2,381,473 Embark Warrants (each exercisable to acquire one Embark Common Share at an exercise price of $4.80);

(iii) 1,200,000 Embark Warrants (each exercisable to acquire one Embark Common Share at an exercise price of $1.75, subject to certain adjustments);

(b) the 96,020 Embark Compensation Securities (each exercisable to acquire one unit of the Company at an exercise price of $3.20, with each such unit consisting of one Embark Common Share and one Embark Warrant, each Embark Warrant exercisable to acquire one Embark Common Share at an exercise price of $4.80);

(c) $5,159,031.56 principal amount of the Embark Grid Note (the principal and accrued interest of such Embark Grid Note is convertible into units of the Company at a conversion price of $1.75, with each such unit consisting of one Embark Common Share and one Embark Warrant, each whole Embark Warrant exercisable to acquire one Embark Common Share at an exercise price of $2.00);

(d) $750,000 principal amount of the Embark Convertible Debentures (the principal and accrued interest of such Embark Convertible Debentures is convertible into Embark Common Shares at a conversion price equal to the lesser of: (i) a 15% discount to the price attributable to the Embark Common Shares issued in connection with a Qualified Offering; and (ii) $2.00);

(e) $375,000 principal amount of the Nano Convertible Debentures (the principal and accrued interest of such Nano Convertible Debentures is convertible into Embark Common Shares at a conversion price of $4.01);

(f) up to:

(i) 2,500,000 Embark Common Shares issuable upon the satisfaction of the conditions set forth in the Services Agreement; and

(ii) 1,250,000 Embark Warrants issuable upon the satisfaction of the conditions set forth in the Services Agreement (each exercisable to acquire one Embark Common Share at an exercise price of $1.75); and

(iii) 480,750 Embark Common Shares issuable upon the exercise of common share purchase warrants of Embark Nano Inc. (the "**Nano Warrants**");

(g) the Incentive Agreements,

there are no other options, warrants, stock appreciation rights, restricted stock units, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by the Company or its Subsidiaries of any securities of the Company or any Subsidiary, or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of the Company or any Subsidiary;

5.22 each of the execution and delivery of this Agreement and the Ancillary Agreements, the performance by the Company of its obligations hereunder and the consummation of the transactions contemplated in this Agreement:

(a) has been duly authorized by all necessary corporate action on the part of the Company, other than the approval of the Company's shareholders in respect of the Amalgamation;

(b) does not require and is not subject to any filing with, notice to or other Authorization of any Governmental Authority or any other Person, other than the approval of the Exchange and any Governmental Authority responsible for licensing and regulating Embark's Business;

(c) does not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both): (i) any Applicable Law; (ii) the Company's articles (as may be amended from time to time), the Company's by-laws or resolutions of the directors or shareholders of the Company or its Subsidiaries; (iii) any contract to which the Company or its Subsidiaries is a party or by which it is bound except where such conflict, breach, violation or default would not result in a Material Adverse Effect; or (iv) any judgment, decree or order binding the Company or its Subsidiaries or the property or Assets thereof; and

(d) do not give a party the right to terminate any Material Contract;

5.23 each of this Agreement and the Ancillary Agreements has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally, general principles of equity, and the qualifications that equitable remedies may only be granted in the discretion of a court of competent jurisdiction and except that rights of indemnity,

contribution, waiver and the ability to sever unenforceable terms may be limited under Applicable Laws;

5.24 each of the Company and its Subsidiaries, and their respective directors and officers:

(a) is and at all times has been in compliance with all Applicable Laws in all material respects;

(b) has not received any correspondence or notice from any Governmental Authority alleging or asserting material non-compliance with any Applicable Laws or any Authorizations;

(c) has not received notice of any pending or threatened claim, suit, proceeding, charge, hearing, enforcement, audit, investigation, arbitration or other action from any Governmental Authority or third party alleging that any operation or activity of the Company or any of its Subsidiaries, or any of their respective directors or officers is in violation of any Applicable Laws, Authorizations or agreements that, if finally determined adversely to the Company or any of its Subsidiaries, or their respective directors or officers would be expected to result in a Material Adverse Effect, and has no knowledge or reason to believe that any such Governmental Authority or third party is considering any such claim, suit, proceeding, charge, hearing, enforcement, audit, investigation, arbitration or other action;

(d) has not received notice that any Governmental Authority has taken, is taking or intends to take action to limit, suspend, modify or revoke any material Authorizations and has no knowledge or reason to believe that any such Governmental Authority is considering such action;

(e) has, or has had on its behalf, filed, declared, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were materially complete and correct on the date filed (or were corrected or supplemented by a subsequent submission); and

(f) is not subject to any judgment, order, writ, injunction, decree or award of any Governmental Authority, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect;

5.25 the Embark Disclosure Letter includes a complete and accurate list of all Material Contracts of the Company and its Subsidiaries and the Company has made available to the Purchaser true and complete copies of all such Material Contracts; except as set forth in the Embark Disclosure Letter, all material contracts to which the Company is a party are in good standing in all material respects and in full force and effect and neither the Company nor its Subsidiaries nor, to the knowledge of the Company, any other party thereto is in material default or breach of any material contract and there exists no condition, event or act which, with the giving of notice or lapse of time or both would constitute a material default or breach under any material contract

which would give rise to a right of termination on the part of any other party to a contract; the Company has not waived any material rights under such Material Contracts; all such Material Contracts are valid and binding obligations of the Company or the Subsidiary, as applicable, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction; no notice has been received indicating that a party to a Material Contract intends to cancel, terminate or otherwise modify or not renew such Material Contract, and to the Company's knowledge, no such action has been threatened; except as disclosed in the Embark Disclosure Letter, no consents, approvals or notices are required to be obtained from, or given to, any third party under any Material Contract of the Company or any Subsidiary in order for the Company to proceed with the execution and delivery of this Agreement and the consummation of the Amalgamation and the other transactions contemplated by this Agreement;

5.26 the Company is a "taxable Canadian corporation" for purposes of the Tax Act and, except as set forth in the Embark Disclosure Letter, all Taxes due and payable or required to be collected or withheld and remitted by the Company and each of its Subsidiaries have been paid, collected or withheld and remitted as applicable when due, except where the failure to pay such Taxes would not have a Material Adverse Effect. All tax returns, declarations, remittances and filings required to be filed by the Company and its Subsidiaries have been filed with all appropriate authorities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading, except where the failure to file such documents would not have a Material Adverse Effect. To the knowledge of the Company, no examination of any tax return of the Company or any of its Subsidiaries is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by the Company or any of its Subsidiaries, except where such examinations, issues or disputes would not have a Material Adverse Effect; there are no proceedings, investigations or audits pending or, to the knowledge of the Company, threatened against or affecting the Company in respect of any Taxes and no event has occurred or circumstance exists which could reasonably be expected to give rise to or serve as a valid basis for the commencement of any such proceeding, investigation or audit; there are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to the Company;

5.27 the financial books, records and accounts of the Company: (i) have been maintained in all material respects in accordance with Applicable Laws; (ii) are stated in reasonable detail and accurately and fairly reflect in all material respects the material transactions, acquisitions and dispositions of the assets of the Company; and (iii) accurately and fairly reflect in all material respects the basis for the Company's 2019 Financial Statements and the Company's 2020 Financial Statements and, except as set forth in the Embark Disclosure Letter, the Company and each of its Subsidiaries, have established on their books and records reserves that are adequate for the payment of all Taxes not yet due and payable;

5.28 except as set forth in the Embark Disclosure Letter, other than in connection with the Amalgamation, neither the Company nor any of its Subsidiaries is currently party to any

agreement in respect of: (a) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company or its Subsidiaries whether by asset sale, transfer of shares or otherwise; or (b) the change of control of the Company or any of its Subsidiaries (whether by sale or transfer of shares or sale of all or substantially all of the property and Assets of the Company or any of its Subsidiaries or otherwise);

5.29 except as set forth in the Embark Disclosure Letter, there are no termination or severance payments that will become payable to any director, officer, consultant or employee of the Company or any of its Subsidiaries as a result of the consummation of any of the matters contemplated hereby (including as a result of the Acquisition, the Amalgamation or the direct or indirect change of control of the Company or any of its Subsidiaries);

5.30 neither the Company or any of its Subsidiaries has any agreement, plan or practice relating to the payment of any management, consulting, service or other fee or any bonus, stock purchase, pensions, share of profits or retirement allowance, deferred compensation, insurance, legal benefits, unemployment benefits, vacation, incentive, health or other employee benefit other than in the ordinary course of business for a company in the Company's Business;

5.31 there is no agreement, plan or practice relating to the payment of any management, consulting, service or other fee or any bonus, stock purchase, pensions, share of profits or retirement allowance, deferred compensation, insurance, legal benefits, unemployment benefits, vacation, incentive, health or other employee benefit other than in the ordinary course of business;

5.32 except as set forth in the Embark Disclosure Letter, none of the directors or officers of the Company or any associate or Affiliate of any of the foregoing has any material interest, direct or indirect, in any material transaction or any proposed material transaction with the Company that materially affects, is material to or will materially affect the Company;

5.33 except as set forth in the Embark Disclosure Letter, neither the Company nor any of its Subsidiaries has, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of their respective shares or other securities or, directly or indirectly, redeemed, purchased or otherwise acquired any of their respective shares or other securities or agreed to do any of the foregoing;

5.34 the minute books and records of the Company and its Subsidiaries made available to counsel for the Purchaser in connection with its due diligence investigation of the Company for the periods from the respective dates of incorporation or formation of the Company and the Subsidiaries to September 19, 2021 are all of the minute books and records of the Company and its Subsidiaries and contains copies of all significant proceedings of the shareholders, the boards of directors and all committees of the boards of directors of the Company and its Subsidiaries to September 19, 2021 and there have not been any other material formal meetings, resolutions or proceedings of the shareholders, boards of directors or any committees of the boards of directors of the Company or the Subsidiaries to September 19, 2021 not reflected in such minute books and other records other than those which have been disclosed in writing to the

Purchaser or at or in respect of which no material corporate matter or business was approved or transacted;

5.35 no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are pending, contemplated or threatened by any regulatory authority;

5.36 the Company has not entered into any agreement, understanding or other commitment or arrangement which could entitle any Person to any valid claim against the Purchaser, Subco or the Company for a broker's commission, finder's fee or any like payment or obligation in respect of the Acquisition or any other matters contemplated hereby;

5.37 (a) each of the Company and its Subsidiaries, its Assets and the operation of Embark's Business, have been and are, to the knowledge of the Company, in compliance in all material respects with all Environmental Laws; (b) neither the Company nor its Subsidiaries are in violation of any regulation relating to the release or threatened release of Hazardous Materials; (c) each of the Company and its Subsidiaries has complied in all material respects with all reporting and monitoring requirements under all Environmental Laws; (d) neither the Company nor its Subsidiaries has ever received any notice of any material non-compliance in respect of any Environmental Laws; and (e) there are no events or circumstances that might reasonably be expected to form the basis of an order for clean up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company relating to Hazardous Materials or any Environmental Laws;

5.38 other than the lands legally described as PART OF LOTS 168C-170C PLAN 293 AND PART OF FIRST STREET PLAN 293 (CLOSED BY 484) BEING PARTS 9 & 10, 41R9639; CITY OF WOODSTOCK, neither the Company no any of its Subsidiaries are the registered or beneficial holders of any Owned Premises;

5.39 the Company and its Subsidiaries occupy the Material Premises and have the exclusive right to occupy and use the Material Premises (as tenant only in respect of the Leased Premises) and each of the leases pursuant to which the Company or such Subsidiary occupies the Material Premises is in good standing and in full force and effect under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company or such Subsidiary;

5.40 the Company owns or has the right to use all of the Intellectual Property necessary for Embark's Business as of September 19, 2021. All registrations (or applications for registrations), if any, and filings that the Company has considered necessary to preserve the rights of the Company in the Intellectual Property have been made and are in good standing. The Company has no pending action or proceeding, nor, to the knowledge of the Company, any threatened action or proceeding, against any person with respect to the use of the Intellectual Property, and there are no circumstances which cast reasonable doubt on the validity or enforceability of the Intellectual Property necessary for Embark's Business. The conduct of Embark's Business does not, to the knowledge of the Company, infringe upon the intellectual property rights of any other Person. Other than as disclosed in writing to the Purchaser, the Company has no pending

action or proceeding, nor, to the knowledge of the Company, is there any threatened action or proceeding against it with respect to the Company's use of the Intellectual Property;

5.41 no material labour dispute with current and former employees or consultants of the Company or any of its Subsidiaries exists, or, to the knowledge of the Company, is imminent and the Company is not aware of any existing, threatened or imminent labour disturbance by the employees of any of the principal suppliers, manufacturers or contractors of the Company that would have a Material Adverse Effect;

5.42 the Company and its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; and the Company has no reason to believe that it will not be able to renew the existing insurance coverage of the Company and its Subsidiaries as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect and such insurance coverage is in good standing in all material respects and not in default;

5.43 since March 31, 2021, there has been no change in the Assets, liabilities (contingent or otherwise), business, affairs, operations, capital or control of the Company and its Subsidiaries that has resulted in a Material Adverse Effect and that has not been disclosed in writing to the Purchaser or in the Embark Circular;

5.44 neither the Company nor any Subsidiary nor, to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of the foregoing, has (a) violated any anti-bribery or anti-corruption laws applicable to the Company or its Subsidiaries, including but not limited to the *Corruption of Foreign Public Officials Act* (Canada) and the U.S. Foreign Corrupt Practices Act; or (b) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/ or of modest value: (i) to any Governmental Authority, whether directly or through any other Person, for the purpose of influencing any act or decision of a Governmental Authority; inducing a Governmental Authority to do or omit to do any act in violation of its lawful duties; securing any improper advantage; inducing any Person to influence or affect any act or decision of any Governmental Authority; or assisting any representative of the Company or any Subsidiary in obtaining or retaining business for or with, or directing business to, any Person; or (ii) to any Person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Company nor any Subsidiary nor, to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of foregoing, has (a) conducted or initiated any review, audit, or internal investigation that concluded the Company or any Subsidiary, or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing; or (b) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any Person alleging non-compliance with any such laws;

5.45 the operations of the Company and each Subsidiary are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Authority (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or Governmental Authority or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened;

5.46 there is not now in progress, pending or, to the Company's knowledge, threatened or contemplated against or affecting the Company or any of its Subsidiaries, or any of their respective Assets, or any officer or director thereof in their capacity as an officer or director thereof, any litigation, action, suit, investigation, claim, complaint or other proceeding, including appeals and applications for review, by or before any Governmental Authority, which if determined adversely to the Company or any of its Subsidiaries, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect;

5.47 except for the shareholders agreement of Embark dated May 28, 2018, the Company is not a party to any shareholder, pooling, voting trust or other similar agreement or arrangement relating to the issued and outstanding shares in the capital of Embark or pursuant to which any Person may have any right or claim in connection with any existing or past equity interest in the Company and the Company has not adopted a shareholder rights plan;

5.48 the execution, delivery and performance by the Company of its obligations under this Agreement and the consummation by Company of the Amalgamation and the other transactions contemplated by this Agreement do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by Embark other than:

(a) the Embark Shareholder Approval;

(b) filings required under the BCBCA;

(c) the approval of the Exchange;

(d) such registrations and other actions required under Applicable Securities Laws as are contemplated by this Agreement and registrations and applications required as a result of the formation of Amalco; and

(e) any other consents, approvals, orders, authorizations, declarations or filings which, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on Naturo.

5.49 the Company's Board of Directors has unanimously:

(a) determined that the Continuance and the Amalgamation are in the best interests of the Company;

(b) determined to recommend that the Embark Shareholders vote in favour of the Embark Resolution; and

(c) authorized the entering into of this Agreement, and the performance of the Company's obligations hereunder;

5.50 the aggregate value of the Company's assets in Canada and the annual gross revenues from sales in or from Canada generated by those assets, all as determined as of the time and in the manner that are prescribed in Part IX of the *Competition Act* and the Notifiable Transactions Regulations thereunder, do not exceed the amount determined under Subsection 110(8) of the *Competition Act*; and

5.51 no representation or warranty by the Company in this Agreement and no statement contained in the Disclosure Letter or any certificate or other document furnished or to be furnished to Purchaser under this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which they are made, not misleading.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF THE VENDORS

As an inducement to Purchaser and Subco to enter into this Agreement and to complete the transactions contemplated hereby, each Vendor, severally and not jointly with the other Vendors, represents and warrants to the Purchaser and Subco as follows.

6.01 It has the requisite legal capacity to execute and deliver this Agreement and each Ancillary Agreement to which it is a party, to perform its obligations hereunder and thereunder and to complete the Amalgamation. This Agreement has been, and each Ancillary Agreement to be executed and delivered at the Closing will be, duly and validly executed and delivered by it, and (assuming due authorization, execution and delivery by the Purchaser and Subco) this Agreement constitutes, and each such Ancillary Agreement when so executed and delivered (assuming due authorization, execution and delivery by the other parties thereto) will constitute, the legal, valid and binding obligation of it, enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally, general principles of equity, and the qualifications that equitable remedies may only be granted in the discretion of a court of competent jurisdiction and except that rights of indemnity, contribution, waiver and the ability to sever unenforceable terms may be limited under Applicable Laws;

6.02 The execution and delivery by it of this Agreement and each Ancillary Agreement to which it is a party do not, and the completion by it of the transactions contemplated hereby and thereby will not: (i) conflict with or violate any Applicable Laws binding upon or applicable to it or any of its

Embark Common Shares; or (ii) result in a breach of the terms, conditions or provisions of, constitute a default or an event that, with notice or lapse of time or both, would become a default under, give to others any rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Lien upon its Embark Common Shares;

6.03 It owns, beneficially and of record, and has good and valid title to, the number of Embark Common Shares set forth opposite such Vendor's name in Schedule "A", free and clear of any and all Liens; and

6.04 There is no action pending or, to its knowledge, threatened against or affecting it that, if determined or resolved adversely to it, would have a material adverse effect on its ability to perform its obligations hereunder.

ARTICLE VII
SURVIVAL OF REPRESENTATIONS AND WARRANTIES

7.01 The representations and warranties of the Purchaser, the Company and Subco contained in this Agreement shall survive Closing for a period of 15 months after the Effective Date.

ARTICLE VIII
COVENANTS OF THE COMPANY

Until the earlier of the Closing Date and the date of termination of this Agreement in accordance with Article XIV, the Company hereby covenants and agrees with the Purchaser as follows:

8.01 The Purchaser and/or its directors, officers, auditors, counsel and other authorized representatives shall be permitted to make such commercially reasonable investigations of the properties, Assets and business of the Company and of its financial and legal condition as the Purchaser reasonably deems necessary or desirable, provided always that such investigations shall not unduly interfere with the operations of the Company. If reasonably requested, the Company shall provide copies, at the cost of the Purchaser, of the Company's corporate records, including its minute books, share ledgers and the records maintained in connection with the business of the Company. Such investigations will not, however, affect or mitigate in any way the representations and warranties contained in this Agreement, which representations and warranties shall continue in full force and effect for the benefit of the Purchaser.

8.02 The Company shall use commercially reasonable efforts to obtain from the Company's directors and shareholders and from all applicable Governmental Authorities such approvals or consents as are required (if any) to complete the transactions contemplated herein.

8.03 The Company shall deliver to the Purchaser executed Voting Support Agreements, in the form attached as Schedule "N" hereto, from Embark Shareholders representing at least 40% of the issued and outstanding Embark Shares as of September 19, 2021, as soon as reasonably practicable but in any event prior to the record date for the Embark Meeting.

8.04 The Company shall ensure that the Embark Circular complies in all material respects with Applicable Law, does not contain any "misrepresentation" (as such term is defined under the

Securities Act (Ontario)) regarding the Company or its Subsidiaries and provides shareholders of the Company with sufficient information to permit them to form a reasoned judgment concerning the matters to be placed before the Meeting. Without limiting the generality of the foregoing, the Embark Circular must include: (a) a statement that the Company's Board has unanimously determined that the Continuation and the Amalgamation is in the best interests of the Company and its security holders and that the Company's Board unanimously recommends that the shareholders of the Company vote in favour of the Continuation and the Amalgamation (the "**Company's Board Recommendation**"); and (b) a statement that each director and officer of the Company intends to vote all of such individual's Embark Common Shares in favour of each of the Continuation and the Amalgamation and against any resolution submitted by any shareholder of the Purchaser that is inconsistent with the Continuation, the Amalgamation or any matters inconsistent with the Acquisition.

8.05 Subject to the conditions therefor being satisfied, the Company shall use commercially reasonable efforts to ensure that, at or prior to the Effective Date, all outstanding Embark Convertible Debentures and Shareholder Loans have been duly converted, exchanged, exercised or deemed converted, exchanged or exercised, as applicable, by the holders thereof for the applicable securities of the Company in accordance with the terms of the Embark Convertible Debentures and Shareholder Loans, as may be amended from time to time.

8.06 The Company will maintain its corporate status and comply with all Applicable Laws (including Securities Laws) in all material respects prior to Closing.

8.07 The Company shall provide prompt and full disclosure to the Purchaser of any material information, change or event in the business, operations, financial condition or other affairs of the Company prior to the Closing.

8.08 The Company acknowledges that upon completion of the Acquisition, the Purchaser shall be the sole shareholder of Amalco and as of the Effective Time, the Company shall be under no contractual obligations to issue Embark Common Shares to any third parties, other than the Embark Warrants.

8.09 The Company shall not, without the prior approval of the Purchaser, such approval not to be unreasonably withheld, conditioned or delayed, issue or amend any securities, options, debt or financial instruments of any kind, other than:

(a) as contemplated in this Agreement;

(b) as summarized in the Embark Disclosure Letter; and

(c) in connection with the issuance of Embark Shares pursuant to the exchange, transfer, conversion, satisfaction or exercise of existing outstanding securities or existing contractual commitments to issue Embark Shares,

in each case, subject to such issuance being in compliance with Applicable Law and the policies of the Exchange.

8.10 Without limiting the generality of the foregoing, except as expressly permitted or required by this Agreement or as approved in writing by the Purchaser, from September 19, 2021 until the earlier of the Effective Time or the termination of this Agreement, the Company will not, and will not authorize or take any other action to cause or permit any Subsidiary to, and will not authorize or take any other action to cause or permit any Subsidiary to:

(a) amend or otherwise change the articles or by-laws of the Company or any of its Subsidiaries;

(b) declare, set aside, make or pay any dividend or other distribution (whether in cash, stock or other property) in respect of any share capital or other equity interests of the Company or any of its Subsidiaries;

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

(d) make any material change in the operation of business, except such changes as may be required to comply with this Agreement, any Ancillary Agreement or any Applicable Laws;

(e) waive or release any material right or claim of the Business, including any write-off or other compromise of any account receivable, other than in the ordinary course of business consistent with past practice

(f) enter into any transaction with any of its Affiliates, except transactions that are at prices and on terms and conditions not less favorable to the Company or any of its Subsidiaries than could be obtained on an arm's-length basis from unrelated third parties and except for transactions solely between Company and any of its Subsidiaries;

(g) make any change in the accounting methods, principles or policies of the Company, other than any change required by Applicable Laws or a change in IFRS;

(h) fail to use its best efforts to take all required steps and actions (including the payment of all fees and expenses) necessary to obtain, and maintain in good standing, any Authorizations; or

(i) enter into any contract or agreement with respect to any of the foregoing.

8.11 The Company shall:

(a) use commercially reasonable efforts to obtain the approval of the Embark Resolution;

(b) promptly advise BevCanna of the number of Embark Shares for which the Company receives notices of dissent or written objections to the Continuation or the Amalgamation;

(c) have a senior officer execute an Affidavit to be delivered in connection with the Amalgamation Application and take all actions required in relation to the swearing of such Affidavit; and

(d) convene and conduct the Embark Meeting on or before November 15, 2021, or such later date as may be mutually agreed to by BevCanna and the Company, and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Embark Meeting without the prior written consent of BevCanna, except in the case of an adjournment, as required for quorum purposes.

8.12 The Company shall use commercially reasonable efforts to cause each of the conditions precedent in sections 12.01 and 12.02 to be complied with.

ARTICLE IX
COVENANTS OF THE PURCHASER

Until the earlier of the Closing Date and the date of termination of this Agreement in accordance with Article XIV, the Purchaser hereby covenants and agrees with the Company as follows:

9.01 The Company and/or its directors, officers, auditors, counsel and other authorized representatives shall be permitted to make such commercially reasonable investigations of the property, Assets and business of the Purchaser and of its financial and legal condition as the Company reasonably deems necessary or desirable, provided that such investigations shall not unduly interfere with the operations of the Purchaser. If reasonably requested, the Purchaser shall provide copies, at the cost of the Company, of the Purchaser's corporate records, including its minute books, share ledgers and the records maintained in connection with the business of the Purchaser. Such investigations will not, however, affect or mitigate in any way the representations and warranties contained in this Agreement, which representations and warranties shall continue in full force and effect for the benefit of the Company.

9.02 The Purchaser shall use commercially reasonable efforts to obtain from the Purchaser's directors and shareholders and from all applicable Governmental Authorities (including the Exchange) or any other Person such approvals or consents as are required to complete the transactions contemplated herein, provided that the Company complies with its covenants under section 9.03 and section 8.08, and for clarity, the Purchaser shall not be responsible for the rejection of the Acquisition and other matters contemplated in this section 9.02 by the Exchange for reasons that are outside of its reasonable control, including, but not limited to, the inability of the Company to meet the listing requirements of the Exchange or the requirement under the listing requirements or rules of the Exchange that the Purchaser obtain shareholder approval in order to obtain the Exchange Conditional Approval.

9.03 The Purchaser shall obtain the requisite Exchange conditional approval for the Acquisition, including the issuance of the Payment Shares.

9.04 The Purchaser will maintain its corporate status and comply with all Applicable Laws (including Securities Laws) in all material respects and Exchange requirements (including any applicable filing requirements) until the Closing.

9.05 The Purchaser agrees to provide prompt and full disclosure to the Company of any material information, change or event in the business, operations, financial condition or other affairs of the Purchaser prior to the Closing.

9.06 The Purchaser will prepare or cause to be prepared and file or cause to be filed all tax returns of the Company for all taxable periods to the extent such Tax Returns are filed or required to be filed on or after the Effective Date. Such tax returns will be prepared in accordance with past practice of the Company, subject to any advice regarding the preparation of such tax returns received from the Purchaser's professional advisors. The Purchaser will provide drafts of the tax returns described in the preceding sentence to the Shareholder Representative not less than thirty (30) days before the due date for the filing of those tax returns (including applicable extensions) to allow the Shareholder Representative to review and comment on each such tax return prepared or caused to be prepared by the Purchaser, such review at the Shareholder Representative's sole cost and expense. The Purchaser will permit the Shareholder Representative and its authorized representatives reasonable access to the books and records of the Company and its Subsidiaries as the Shareholder Representative may reasonably require for the purpose of reviewing the tax returns. At least ten (10) days prior to the filing date for such tax returns, the Shareholder Representative, acting reasonably, will provide any comments on the tax returns to the Purchaser. The Purchaser will consider in good faith all reasonable comments of the Shareholder Representative with respect to such tax returns prior to filing.

9.07 The Purchaser shall use commercially reasonable efforts to cause each of the conditions precedent in sections 12.01 and 12.03 to be complied with.

ARTICLE X
COVENANTS OF SUBCO

Until the earlier of the Closing Date and the date of termination of this Agreement in accordance with Article XIV, Subco hereby covenants and agrees with the Company as follows:

10.01 Use commercially reasonable efforts to cause each of the conditions precedent in section 12.03 to be complied with.

10.02 Until the Effective Date,

(a) not conduct any business (other than as required in connection with the Amalgamation), and maintain and preserve its corporate existence; and

(b) except as contemplated in this Agreement, not directly or indirectly, amend its constating documents, declare, set aside or pay any dividend or other distribution or payment or otherwise to or for the benefit of its shareholders or reduce its stated capital (other than as may be agreed to in writing by the Parties).

10.03 Subject to the approval of the Embark Shareholder Resolution and subject to the obtaining of all applicable regulatory approvals, including the conditional approval of the Exchange, thereafter jointly with the Company, file the articles of amalgamation and such other documents as may be required to give effect to the Amalgamation upon and subject to the terms and conditions of this Agreement.

ARTICLE XI
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

11.01 The Vendors and the Company shall not, and the Company shall cause its Subsidiaries not to, directly or indirectly, through any officer, director, employee, shareholder, consultant, representative (including any financial or other adviser) or an agent of it or any of its Subsidiaries (collectively "Representatives"), or otherwise, and shall not permit or authorize any such Person to:

(a) solicit, initiate, knowingly facilitate, encourage or promote (including by way of furnishing or providing copies of, access to, or disclosure of, any Confidential Information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser or any of its Affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal, it being acknowledged and agreed that it may communicate with any Person for purposes of advising such Person of the restrictions in this Agreement; or

(c) accept or enter into or publicly propose to enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal.

Notwithstanding any other provision of this Agreement, nothing shall prevent or otherwise restrict the Company from completing any acquisition or disposition of assets provided that such transaction shall not involve any assets or securities of the Company and that copies of any material agreements related to such transaction are made available to the Purchaser.

11.02 The Vendors and the Company shall not, directly or indirectly, through any Representative or otherwise, and shall not permit such Person to, accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any publicly announced or otherwise publicly disclosed Acquisition Proposal in respect of the Company (it being understood that taking no position or a neutral position with respect to a publicly announced or otherwise publicly disclosed Acquisition Proposal for a period of no more than five (5) Business Days following the announcement or disclosure of such Acquisition Proposal will not be considered to be in violation of this Article XI provided the Company's Board has rejected such Acquisition Proposal and affirmed the Company's Board Recommendation before the end of such five (5) Business Day period).

11.03 The Vendors and the Company shall, and the Company shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to September 19, 2021 with any Person (other than the Purchaser or its Affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection with such termination shall no longer provide access to any data room or provide any new disclosure of information, or access to properties,

facilities, books and records of the Company or any of its Subsidiaries outside the ordinary course of business.

11.04 If, after September 21, 2021, any of the Vendors, the Company or any of its Subsidiaries or Representatives, receives, or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information that is made, or that may reasonably be perceived to be made, in connection with an Acquisition Proposal, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of it or any of its Subsidiaries, it shall immediately notify the Purchaser, at first orally, and then promptly and in any event within 48 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions and the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of all documents, correspondence or other material received in respect of, from or on behalf of any such Person. The Vendors and the Company shall keep the Purchaser informed on a current basis of the status of developments and negotiations with respect to such Acquisition Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

ARTICLE XII
CONDITIONS PRECEDENT

12.01 The transactions contemplated herein are subject to the following conditions to be fulfilled or performed on or prior to the Effective Date, which conditions are for the mutual respective benefit of the Purchaser and the Company and may be waived, in whole or in part, by the Purchaser and the Company upon mutual written consent:

(a) the Embark Shareholder Approval shall have been obtained;

(b) the Amalgamation shall be approved by the sole shareholder of Subco; and

(c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement (other than any order or decree initiated or obtained by any Party, directly or indirectly).

12.02 The transactions contemplated herein are subject to the following conditions to be fulfilled or performed on or prior to the Effective Date, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser, in its sole discretion:

(a) the representations and warranties of the Company contained in this Agreement or in any Ancillary Agreement shall have been true and correct as of September 19, 2021 and shall be true and correct as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date), in each case in all material respects (and, for this purpose, any reference to "Material", "Material Adverse Effect" or any other concept of materiality in such representations and warranties shall be ignored), with the same force and effect as if

such representations and warranties had been made on and as of such Effective Date, as certified by a senior executive officer of the Company on the Effective Date;

(b) the representations and warranties of the Vendors contained in this Agreement or in any Ancillary Agreement shall have been true and correct as of September 19, 2021 and shall be true and correct as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date), in each case in all material respects, with the same force and effect as if such representations and warranties had been made on and as of such Effective Date, as certified by each Vendor on the Effective Date;

(c) the Company shall have performed, fulfilled or complied with, in all material respects, all of its obligations, covenants and agreements contained in this Agreement and in any Ancillary Agreement to be fulfilled or complied with by them at or prior to the Effective Date, as certified by a senior executive officer of the Company on the Effective Date;

(d) all approvals, consents and authorizations of third parties in respect of the transactions contemplated herein required to be obtained by the Company and/or its Subsidiaries, including without limitation approvals of Governmental Authorities (other than the Exchange), shall have been obtained on terms acceptable to the Purchaser acting reasonably;

(e) the Company's 2020 Financial Statements shall have been delivered to the Purchaser on or before October 6, 2021, and shall be substantially in the form as set out in the Embark Disclosure Letter;

(f) the Embark Common Shares held by the dissenting shareholders of the Company shall not constitute more than five percent (5%) of all issued and outstanding Embark Common Shares;

(g) the Company shall deliver or cause to be delivered to the Purchaser the Embark Closing Documents as set forth in section 13.02 in a form satisfactory to the Purchaser, acting reasonably;

(h) between September 19, 2021 and the Effective Date, there will have been no Material Adverse Effect for the Company or its Subsidiaries;

(i) all proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement shall be satisfactory in form and substance to the Purchaser, acting reasonably, and the Purchaser shall have received copies of all instruments and other evidence as it may reasonably request in order to establish the consummation or completion of such transactions and the taking of all necessary proceedings in connection therewith;

(j) the issuance of Payment Shares to U.S. Persons (as defined in Regulation S) or persons in the United States pursuant to the Amalgamation shall be exempt from registration requirements under the 1933 Act under Section 4(a)(2) of or Rule 903 of Regulation S under the 1933 Act, and the Company shall have obtained and delivered to the

Purchaser, on or before the Closing Date, a fully completed and executed Certificate of U.S. Shareholder in a form reasonably satisfactory to the Purchaser from each Embark Shareholder that is a U.S. Person entitled to receive Payment Shares pursuant to the Amalgamation in order to, among other things, evidence the availability of such exemptions;

(k) the transactions and formal documentation contemplated by the Woodstock MOA and the Woodstock Guarantee shall have been completed on terms and conditions satisfactory to BevCanna in its sole discretion;

(l) the terms and conditions of the Embark Convertible Debentures shall have been amended to provide that all principal and accrued and unpaid interest shall be automatically converted into Embark Shares immediately prior to the Effective Time;

(m) no action or proceeding shall be pending or threatened by any Person (other than by the Purchaser or Subco, directly or indirectly) in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement or the right of the Company to conduct its business after the Effective Time on substantially the same basis as operated immediately prior to September 19, 2021 or the Effective Time, as applicable.

12.03 The transactions contemplated herein are subject to the following conditions to be fulfilled or performed on or prior to the Effective Date, which conditions are for the exclusive benefit of the Company and may be waived, in whole or in part, by the Company in its sole discretion:

(a) the representations and warranties of the Purchaser and Subco contained in this Agreement or in any Ancillary Agreement shall have been true and correct as of September 19, 2021 and shall be true and correct as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date), in each case in all material respects (and, for this purpose, any reference to "Material", "Material Adverse Effect" or any other concept of materiality in such representations and warranties shall be ignored), with the same force and effect as if such representations and warranties had been made on and as of such Effective Date as certified by a senior executive officer of the Purchaser and a senior executive officer of Subco on the Effective Date;

(b) the Purchaser and Subco shall have performed, fulfilled or complied with, in all material respects, all of their obligations, covenants and agreements contained in this Agreement and in any Ancillary Agreement to be fulfilled or complied with by the Purchaser and Subco at or prior to the Effective Date; as certified by a senior executive officer of the Purchaser and a senior executive officer of Subco on the Effective Date;

(c) all approvals, consents and authorizations of third parties in respect of the transactions contemplated herein required to be obtained by the Purchaser and/or Subco, shall have been obtained on terms acceptable to the Company acting reasonably;

(d) the Purchaser and Subco shall deliver or cause to be delivered to the Company, the Purchaser and Subco Closing Documents as set forth in section 13.03 in a form satisfactory to the Company acting reasonably;

(e) between September 19, 2021 and the Effective Date, there will have been no Material Adverse Effect for the Purchaser or its Subsidiaries;

(f) all proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement shall be satisfactory in form and substance to the Company, acting reasonably, and the Company shall have received copies of all instruments and other evidence as it may reasonably request in order to establish the consummation or completion of such transactions and the taking of all necessary proceedings in connection therewith;

(g) BevCanna shall have delivered the BevCanna Replacement Warrants to the Shareholders' Representative, on behalf of the holders of Embark Warrants, in accordance with Section 3.06(f); and

(h) no action or proceeding shall be pending or threatened by any Person (other than by the Company, directly or indirectly) in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement or the right of the Purchaser and Subco to conduct its business after the Effective Time on substantially the same basis as operated immediately prior to September 19, 2021.

ARTICLE XIII
CLOSING

13.01 The Closing shall be completed electronically at the Effective Time on the Effective Date or at such other time and/or place as may be mutually agreed upon by the Parties, but in any event not later than the Outside Date.

13.02 On the day of Closing, the Company shall deliver to the Purchaser the following documents:

(a) a certified copy of the resolutions of the directors approving and authorizing the Acquisition and of the Embark Shareholder Approval;

(b) a certificate of status for the Company and its of its Subsidiaries;

(c) a certificate of discontinuance under the CBCA;

(d) the officer's certificate contemplated in section 12.02;

(e) an officer's certificate with respect to the constating documents and by-laws of the Company;

(f) the Closing Escrow Agreement, duly executed by the Shareholder Representative;

(g) the Indemnity Escrow Agreement, duly executed by the Vendors;

(h) executed copies of the Key Employee Agreements;

(i) executed copies of the Non-Competition Agreements with each of the Key Employees;

(j) resignations and mutual releases duly signed and delivered by each of the directors and officers of the Company and each of its Subsidiaries, in form and substance satisfactory to the Purchaser, acting reasonably;

(k) duly executed copies of the U.S. Representation Letter attached hereto as Schedule "E", including accredited investor certifications if applicable, for each Embark Shareholder that is resident in the United States or otherwise a U.S. Person, or consents to the Amalgamation from within the United States; and

(l) such other documents and instruments as may be required by the Purchaser to comply with the Exchange policies and listing requirements.

13.03 On the day of Closing, the Purchaser and Subco shall deliver to the Company the following documents:

(a) the Closing Escrow Agreement, duly executed by the Closing Escrow Agent and the Purchaser;

(b) the Indemnity Escrow Agreement, duly executed by the Indemnity Escrow Agent and the Purchaser;

(c) duly executed certificates in form and substance satisfactory to the Company, acting reasonably, or other evidence of ownership satisfactory to the Company, acting reasonably (including uncertificated records registered in the name of CDS Clearing and Depository Services Inc. on the book-based securities transfer system administered by it, registered as directed by the Company, provided that, U.S. Persons as identified by the Company must be issued physical certificates or DRS Advice), in each case bearing such legends as may be required by the Company, the Exchange or any other Governmental Authority and in the respective names of each holder of record) of the Payment Shares, delivered to the Closing Escrow Agent or the Indemnity Escrow Agent, as applicable, to be held in accordance with the terms of the applicable Escrow Agreement, which shall bear a legend restricting the holders thereof from trading such Payment Shares except in accordance with the terms and conditions of the Closing Escrow Agreement; and

(d) a certified copy of the resolutions of the directors of the Purchaser approving and authorizing the transactions herein contemplated;

(e) a certified copy of the resolutions of the directors and shareholders, as applicable, of Subco approving and authorizing, as applicable, (i) any necessary filings as contemplated herein; and (ii) the transactions and issuances, creation, reservation and delivery of shares and other securities contemplated herein;

(f) a certificate of status for each of the Purchaser and Subco;

(g) an officer's certificate with respect to the articles of the Purchaser and Subco;

(h) the officer's certificate contemplated in section 12.03;

(i) executed copies of the Key Employee Agreements;

(j) evidence that the Purchaser is a reporting issuer in each of the Provinces of British Columbia and Ontario and that the Purchaser is not included on a list of defaulting reporting issuers maintained by any of the securities commissions or similar regulatory authority in such province; and

(k) such other documents and instruments as may be required by the Exchange or to otherwise comply with the Exchange policies and listing requirements.

ARTICLE XIV
TERM AND TERMINATION

14.01 This Agreement shall be effective from September 19, 2021 until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

14.02 This Agreement may be terminated prior to the Effective Time (notwithstanding any approval of the Embark Resolution) by:

(a) the mutual written agreement of the Parties.

(b) either the Purchaser or of the Company if the Effective Time has not occurred by Outside Date, provided that a Party may not terminate this Agreement pursuant to this 14.02(b) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement.

(c) the Purchaser or Subco if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company or the Vendors under this Agreement occurs that would cause any condition in sections 12.01 or 12.02 not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date, provided that the Purchaser or Subco is not then in breach of this Agreement so as to cause any condition in section 12.03 not to be satisfied; or

(ii) any condition set forth in sections 12.01 and 12.02 is not satisfied, and such condition is incapable of being satisfied at the completion of the Acquisition;

If the Purchaser and/or Subco waive compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of their rights of termination in the event of non-fulfilment, non-observance or non-performance by the Company or the Vendors of any other condition, obligation, or covenant in whole or in part.

(d) the Company or any of the Vendors if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser or Subco under this Agreement occurs that would cause any condition in 12.01 or 12.03 not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date, provided that the Company and each of the Vendors is not then in breach of this Agreement so as to cause any condition in 12.02 not to be satisfied; or

(ii) any condition set forth in sections 12.01 or 12.03 is not satisfied, and such condition is incapable of being satisfied at the completion of the Acquisition.

If the Company and the Vendors waive compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of their rights of termination in the event of non-fulfilment, non-observance or non-performance by the Purchaser and/or Subco of any other condition, obligation or covenant in whole or in part.

14.03 If this Agreement is terminated pursuant to section 14.02, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party to this Agreement, except that this section 14.03, section 14.04 and Article XV shall survive in accordance with their terms.

14.04 Each Party's right of termination under this Article XIV is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. Nothing in this Article XIV shall limit or affect any other rights or causes of action the Purchaser, the Vendors the Company or Subco may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement.

ARTICLE XV
INDEMNIFICATION

15.01 *Indemnification by the Vendors*. Subject to the terms and conditions of this Article XV, each Vendor will, severally as to itself only and not jointly with any other Vendor, indemnify and hold harmless the Purchaser Indemnified Parties from and against any and all Damages incurred or suffered by the Purchaser Indemnified Parties (whether or not involving a Third Party Claim) resulting from, in connection with or arising out of:

(a) any failure of the Company to perform or fulfill any of its covenants under this Agreement;

(b) any breach, default or violation of any representation or warranty given by such Vendor in Article VI; or

(c) any breach, default or violation of any representation or warranty given by the Company in Article V.

15.02 *Indemnification by the Purchaser*. The Purchaser shall indemnify and hold harmless the Company Indemnified Parties from and against any and all Damages incurred or suffered by the Company Indemnified Parties (whether or not involving a Third Party Claim) resulting from, in connection with or arising out of:

(a) any failure of the Purchaser or Subco to perform or fulfill any of its covenants under this Agreement; or

(b) any breach, default or violation of any representation or warranty given by the Purchaser or Subco.

15.03 *Deductibles for Breaches of Representations and Warranties – Vendors.* The Purchaser Indemnified Parties will not be entitled to indemnification from the Vendors pursuant to Section 15.01(b) with respect to breaches or inaccuracies of the representations and warranties of the Company and the Vendors contained in this Agreement unless and until the amount of Damages incurred or suffered by the Purchaser Indemnified Parties in respect of all such matters (determined in the aggregate for all such breaches and inaccuracies and not on the basis of any single breach or inaccuracy) exceeds $100,000, whereupon the Vendors will be liable for such Damages from the first dollar.

15.04 *Deductibles for Breaches of Representations and Warranties – Purchaser.* The Company Indemnified Parties will not be entitled to indemnification from the Purchaser pursuant to Section 15.02(b) with respect to breaches or inaccuracies of the representations and warranties of the Purchaser contained in this Agreement unless and until the amount of Damages incurred or suffered by the Company Indemnified Parties in respect of all such matters (determined in the aggregate for all such breaches and inaccuracies and not on the basis of any single breach or inaccuracy) exceeds $100,000, whereupon the Purchaser will be liable for such Damages from the first dollar.

15.05 Caps for Breaches of Representations and Warranties.

(a) The maximum aggregate liability of each Vendor under this Agreement will not exceed an amount equal to that particular Vendor's Proportionate Share of the maximum liability set forth in 15.05(b);

(b) The maximum aggregate collective liability of the Vendors under this Agreement will be 75% of the Payment Shares issued to the Vendors pursuant to the Amalgamation.

(c) The maximum aggregate liability of the Purchaser under this Agreement will be $1,000,000.

15.06 Satisfaction/Payment of Indemnity.

(a) In the event that a Purchaser Indemnified Party is entitled to indemnification pursuant to Section 15.01 (the "**Purchaser Recoverable Amount**"), the Purchaser Recoverable Amount shall, subject to Section 15.05, be satisfied by the transfer, for cancellation or otherwise, of title to such number of Escrowed Indemnity Shares as is required to satisfy the Purchaser Recoverable Amount, where the value attributable to each such Escrowed

Indemnity Share shall be equal to the 10-day volume weighted average price of the Purchaser Common Shares listed on the primary stock exchange on which the Purchaser Common Shares are listed on the most recent trading day ended prior to the determination of such Purchaser Recoverable Amount. If requested by Vendor on reasonable notice, the Purchaser shall use reasonable commercial efforts to facilitate settlement of a Purchaser Recoverable Amount by a cash payment equivalent to the deemed value of the Escrowed Indemnity Shares that would otherwise be transferred for cancellation in which case such shares shall be released to the Purchaser Indemnified Party.

(b) A claim shall be deemed to be "determined" for the purposes of this Section 15.06, (i) in the case of any Third Party Claim which the Indemnifying Party(ies) elects to defend, by any settlement agreement between such Indemnifying Party(ies) and the applicable Indemnified Party(ies) asserting such Third Party Claim, or otherwise by order of a court, tribunal or arbitrator of competent jurisdiction, or (ii) in the case of all other claims for indemnification, by written acknowledgement of liability by the Indemnifying Party, by settlement agreement between the Indemnifying Party and the applicable Indemnified Party(ies), or otherwise by order of a court, tribunal or arbitrator of competent jurisdiction.

15.07 Third Party Claims Procedure.

(a) If any Indemnified Party receives written notice of the assertion of any claim or the commencement of any Third Party Claim, the Indemnified Party will give the Indemnifying Party prompt notice (a "**Claim Notice**") describing in reasonable detail the Third Party Claim and, if ascertainable, the amount in dispute under the Third Party Claim; provided, however, that the failure of the Indemnified Party to give a Claim Notice will not relieve the Indemnifying Party of its obligations to provide indemnification hereunder except to the extent (and only to the extent) that the Indemnifying Party will have been materially prejudiced by such failure.

(b) Subject to the limitations set forth in this Section 15.07(b), in the event of a Third Party Claim, the Indemnifying Party will have the right to elect to conduct and control the defense, compromise or settlement of such Third Party Claim, with counsel of its choice reasonably acceptable to the Indemnified Party and at the Indemnifying Party's sole cost and expense, if the Indemnifying Party: (i) has acknowledged and agreed in writing that, if the same is adversely determined, the Indemnifying Party will provide indemnification to the Indemnified Party in respect thereof; and (ii) if requested by the Indemnified Party, has provided evidence reasonably satisfactory to the Indemnified Party of the Indemnifying Party's financial ability to pay any Damages resulting from the Third Party Claim; provided, however, that the Indemnified Party may participate therein through separate counsel chosen by it and at its sole cost and expense. Notwithstanding the foregoing, if (A) the Indemnifying Party has not given notice of its election to conduct and control the defense of the Third Party Claim within thirty (30) days after the Indemnified Party has given a Claim Notice thereof, (B) the Indemnifying Party has failed to conduct such defense diligently and in good faith, (C) the Indemnified Party reasonably determines, based on the advice of its counsel, that use of counsel selected

by the Indemnifying Party to represent the Indemnified Party would present such counsel with a conflict of interest, (D) the Indemnifying Party is also a party to the Third Party Claim and the Indemnified Party determines in good faith that joint representation would be inappropriate; (E) the Indemnifying Party fails to provide reasonable assurance to the Indemnified Party of its financial capacity to defend the Third Party Claim and provide indemnification with respect to the Third Party Claim; (F) in the reasonable judgment of the Indemnified Party, the estimated amount of likely recoverable Damages in connection with such claim is greater than the unused portion of the maximum liability the Indemnifying Party is liable for under this Agreement; (G) in the reasonable judgment of the Indemnified Party, such claim involves or is in respect of any criminal law matter or Tax Contest, or otherwise gives rise to material reputational risks to the Indemnified Party; or (H) the Third Party Claim seeks relief against the Indemnified Party other than monetary damages or the Indemnified Party determines in good faith that there is a reasonable probability that the Third Party Claim may adversely affect it or its Affiliates and the Indemnified Party has notified the Indemnifying Party that it will exercise its exclusive right to defend, compromise or settle the Third Party Claim, then, in each such case, the Indemnified Party will have the right to control the defense, compromise or settlement of the Third Party Claim with counsel of its choice at the Indemnifying Party's sole cost and expense, not to exceed one law firm, provided such costs and expenses are reasonable.

(c) In connection with any Third Party Claim, from and after delivery of a Claim Notice, the Indemnifying Party and the Indemnified Party will, and will cause their respective Affiliates and associates to, use commercially reasonable efforts to cooperate in connection with the defense or prosecution of such Third Party Claim, including furnishing such records, information and testimony and attending such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested by the Indemnifying Party or the Indemnified Party in connection therewith. In addition, the party controlling the defense of any Third Party Claim will keep the non-controlling party advised of the status thereof and will consider in good faith any recommendations by the non-controlling party with respect thereto.

(d) Except as set forth below, no Third Party Claim may be settled or compromised: (i) by the Indemnified Party without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed); or (ii) by the Indemnifying Party without the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing: (A) the Indemnified Party will have the right to pay, settle or compromise any Third Party Claim, provided that in such event the Indemnified Party will waive all rights against the Indemnifying Party to indemnification under this Article 9 with respect to such Third Party Claim unless the Indemnified Party has sought the consent of the Indemnifying Party to such payment, settlement or compromise and such consent has been unreasonably withheld, conditioned or delayed; and (B) the Indemnifying Party will have the right to consent to the entry of a judgment or enter into a settlement with respect to any Third Party Claim without the prior written consent of the Indemnified Party if the judgment or settlement (1) involves only the payment of money damages (all of which will be paid in full by the Indemnifying Party concurrently with the effectiveness thereof), (2) will not

encumber any of the assets of the Indemnified Party and will not contain any restriction or condition that would apply to or adversely affect the Indemnified Party or the conduct of its business, and (3) includes, as a condition to any settlement or other resolution, a complete and irrevocable release of the Indemnified Party from all liability in respect of such Third Party Claim and includes no admission of wrong doing.

15.08 *Direct Claims Procedure.* In the event the Indemnified Party should have a claim for indemnification hereunder that does not involve a Third Party Claim, the Indemnified Party will, as promptly as practicable, deliver to the Indemnifying Party a written notice that contains: (i) a description and the amount (the "**Claimed Amount**") of any Damages incurred or suffered by the Indemnified Party; (ii) a statement that the Indemnified Party is entitled to indemnification under this Article XV and a reasonable explanation of the basis therefore; and (iii) a demand for payment by the Indemnifying Party. Within thirty (30) days following the delivery of such written notice, the Indemnifying Party will deliver to the Indemnified Party a written response in which the Indemnifying Party will: (A) agree that the Indemnified Party is entitled to receive all of the Claimed Amount (in which case such response will be accompanied by a payment by the Indemnifying Party of the Claimed Amount); (B) agree that the Indemnified Party is entitled to receive part, but not all, of the Claimed Amount (the "**Agreed Amount**") (in which case such response will be accompanied by payment by the Indemnifying Party of the Agreed Amount); or (C) contest that the Indemnified Party is entitled to receive any of the Claimed Amount. If the Indemnifying Party contests the payment of all or part of the Claimed Amount, the Indemnifying Party and the Indemnified Party will use good faith efforts to resolve such dispute as promptly as practicable. If such dispute is not resolved within thirty (30) days following the delivery by the Indemnifying Party of such response, the Indemnified Party and the Indemnifying Party will each have the right to commence a proceeding in a court having competent jurisdiction.

15.09 *Insurance and Other Recoveries.* For purposes of determining the amount of Damages subject to an indemnification claim made pursuant to this Article XV, the amount of such Damages shall be reduced by the amount of any insurance proceeds or other recoveries from third parties (net of any deductible or other reasonable costs or expenses of recovery, including attorney costs and any increases in premiums or retro-premiums) actually received by the applicable Indemnified Party in respect of such Damages. If an indemnification payment is received by any Indemnified Party, and such Indemnified Party later receives insurance proceeds or other third party recoveries described in the previous sentence in respect of the related Damages that were not previously credited against such indemnification payment when made, such Indemnified Party shall promptly pay to the Indemnifying Party, a sum equal to the lesser of: (i) the actual amount of such insurance proceeds or third party recoveries actually received (net of any deductible or other reasonable costs or expenses of recovery); or (ii) the actual amount of the indemnification payment previously paid to the Indemnified Party by or on behalf of the Indemnifying Party with respect to such Damages. Each Indemnified Party shall, in good faith, use its commercially reasonable efforts to collect amounts available under insurance coverages, relating to any Damages for which it is seeking indemnification.

15.10 *Fraud and Other Remedies.* Notwithstanding any other provision of this Agreement, and except as hereinafter set forth, the Company, the Vendors and Purchaser acknowledge that in the event that the Closing shall take place, the rights to indemnification under this Article XV are the sole and exclusive remedy through which the Embark Shareholders, the Purchaser, or an

Indemnified Party, may make any claim for Damages suffered or incurred in connection with any breach of this Agreement transactions contemplated herein, but excluding any Fraud Claim.

15.11 *Requirement to Set-Off.* The Purchaser covenants and agrees that all or any portion of any amounts that any Vendor is required to pay pursuant to any claim for indemnification made by a Purchaser Indemnified Party under this Article XV will first be satisfied by cancellation of some or all of the Escrowed Indemnity Shares registered in the name of such Vendor.

15.12 *Treatment of Indemnification Payments.* Any payment made by a Vendor as an Indemnifying Party pursuant to this Article XV will constitute a decrease of the value of consideration payable by the Purchaser and any payment made by the Purchaser as an Indemnifying Party pursuant to this Article XV will constitute an increase of the value of consideration payable by the Purchaser.

ARTICLE XVI
GENERAL

16.01 *Counterparts.* This Agreement may be executed in several counterparts (by original or electronic signature), each of which when so executed shall be deemed to be an original and each of such counterparts, if executed by each of the Parties, shall constitute a valid and enforceable agreement among the Parties.

16.02 *Confidentiality*. All information provided to or received by the Parties shall be treated as confidential ("**Confidential Information**"). Subject to the provisions of this section 16.02, no Confidential Information shall be published, disclosed or used, directly or indirectly, in any manner whatsoever, by any Party without the prior written consent of the others, not be unreasonably withheld, delayed or conditioned. The consent required by this section shall not apply to a disclosure to:

(a) comply with any Applicable Laws;

(b) a director, officer or employee of a Party;

(c) an Affiliate of a Party;

(d) legal counsel, auditors or other professional advisors of a Party;

(e) a consultant, contractor or subcontractor of a Party that has a *bona fide* need to be informed; or

(f) a bank or other financial institution from which the disclosing party is seeking equity or debt financing,

provided, however, that the third party or parties to whom Confidential Information is disclosed as permitted by this section 16.02 agree to maintain in confidence all such Confidential Information so disclosed to them, and provided further that, the obligations of confidence and prohibitions against disclosure, publication or use of Confidential Information in this section 16.02 shall not apply to information that the disclosing party can show by reasonable documentary evidence or otherwise:

(x) as of September 19, 2021, was in the public domain other than as a result of a breach of any agreement with the disclosing Party or any other third party subject to a contractual obligation of non-disclosure;

(y) after September 19, 2021, was published or otherwise became part of the public domain through no fault of the receiving Party or an Affiliate thereof (but only after, and only to the extent that, it is published or otherwise becomes part of the public domain); or

(z) was information that the disclosing party or its Affiliates were required to disclose pursuant to the order of any Governmental Authority or judicial authority.

16.03 *Severability.* In the event that any provision or part of this Agreement is determined by any court or other judicial or administrative body to be illegal, null, void, invalid or unenforceable, that provision shall be severed to the extent that it is so declared and the other provisions of this Agreement shall continue in full force and effect.

16.04 *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

16.05 *Successors and Assigns.* This Agreement shall accrue to the benefit of and be binding upon each of the parties hereto and their respective heirs, executors, administrators and assigns, provided that this Agreement shall not be assigned by any one of the parties without the prior written consent of each of the other parties.

16.06 *Costs and Expenses.* Each of the Parties shall be responsible for its own costs and charges incurred with respect to the consummation of the transactions contemplated hereby including, without limitation, all costs and charges incurred prior to September 19, 2021 and all legal and accounting fees and disbursements relating to preparing this Agreement, or otherwise relating to the transactions contemplated hereby. For certainty, the Company shall be responsible for its own printing and mailing costs associated with the holding of the Meeting and for the purposes of calculating Closing Date Working Capital current liabilities shall exclude any such costs prior to the Closing Date.

Notwithstanding anything to the contrary herein, in the event that the Acquisition is not completed either as result of:

(a) the Company's (i) failure to satisfy the closing conditions contemplated in Section 12.01 (solely as result of the Company) or Section 12.02; or (ii) breach of its obligations under this Agreement, the Company shall reimburse the Purchaser for all of the Purchaser's costs reasonably incurred in connection with the Acquisition (including the Purchaser's legal costs and expenses); and

(b) the Purchaser's (i) failure to satisfy the closing conditions contemplated in Section 12.01 (solely as result of the Purchaser) or Section 12.03; or (ii) breach of its obligations under this Agreement, the Purchaser shall reimburse the Company for all of the Company's costs reasonably incurred in connection with the Acquisition (including the Company's legal costs and expenses).

16.07 Interpretation.

(a) *Schedules.* Schedules and other documents attached or referred to in this Agreement are an integral part of this Agreement.

(b) *Sections and Headings.* The division of this Agreement into Articles, sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

16.08 *Further Assurances.* Each of the Parties hereto will from time to time after the Effective Date at the other's request and expense and without further consideration, execute and deliver such other instruments of transfer, conveyance and assignment and take such further action as the other may reasonably require to give to any matter provided for herein.

16.09 *Entire Agreement.* This Agreement, together with the schedules referred to herein, amends, restates, and replaces the Original Agreement in its entirety and constitutes the entire agreement among the Parties hereto and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject matter hereof. None of the Parties hereto shall be bound or charged with any oral or written agreements, representations, warranties, statements, promises, information, arrangements or understandings not specifically set forth in this Agreement or in the schedules, documents and instruments to be delivered on the Effective Date pursuant to this Agreement. The Parties hereto further acknowledge and agree that, in entering into this Agreement and in delivering the schedules, documents and instruments to be delivered on the Effective Date, they have not in any way relied, and will not in any way rely, upon any oral or written agreements, representations, warranties, statements, promises, information, arrangements or understandings, express or implied, not specifically set forth in this Agreement or in such schedules, documents or instruments.

16.10 *Notices.* Any notice required or permitted to be given hereunder shall be in writing and shall be effectively given if (a) delivered personally; (b) sent prepaid courier service or mail; or (c) sent by e-mail or other similar means of electronic communication (confirmed on the same or following day by prepaid mail) addressed as follows:

in the case of notice to the Company and the Vendors:

77 King Street, Suite 400
Toronto, Ontario M5K 0A1

Attention: Bruce Dawson-Scully, CEO
E-mail: [redacted]

with copies to:

Dentons Canada LLP
77 King Street, Suite 400
Toronto, Ontario M5K 0A1

Attention: Eric Foster
Email: eric.foster@dentons.com

in the case of notice to the Purchaser or Subco:

Suite 200 – 1672 West 2nd Avenue

Vancouver, British Columbia V6J 1H4

Attention: John Campbell, CFO
Email: [redacted]

with copies to:

Clark Wilson LLP
900 – 885 West Georgia Street
Vancouver, British Columbia V6C 3H1

Attention: Cam McTavish and Craig Hoskins
Email: cmctavish@cwilson.com and choskins@cwilson.com

Any notice, designation, communication, request, demand or other document given or sent or delivered as aforesaid shall:

(a) if delivered as aforesaid, be deemed to have been given, sent, delivered and received on the date of delivery, unless sent after business hours or on a day that is not a Business Day, in which case receipt shall be deemed to be the immediately following Business Day; and

(b) if sent by mail as aforesaid, be deemed to have been given, sent, delivered and received on the fourth Business Day following the date of mailing, unless at any time between the date of mailing and the fourth Business Day thereafter there is a discontinuance or interruption of regular postal service, whether due to strike or lockout or work slowdown, affecting postal service at the point of dispatch or delivery or any intermediate point, in which case the such notice shall be deemed to have been given, sent, delivered and received in the ordinary course of the mail, allowing for such discontinuance or interruption of regular postal service.

16.11 *Waiver.* Any Party hereto which is entitled to the benefits of this Agreement may, and has the right to, waive any term or condition hereof at any time on or prior to the Effective Date, provided however that such waiver shall be evidenced by written instrument duly executed on behalf of such Party.

16.12 *Amendments.* No modification or amendment to this Agreement may be made unless agreed to by the Parties hereto in writing.

16.13 *Currency.* Unless otherwise indicated, all dollar amounts referred to in this Agreement are in the lawful money of Canada.

16.14 *Number and Gender.* In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

(a) words in the singular number include the plural and such words shall be construed as if the plural had been used;

(b) words in the plural include the singular and such words shall be construed as if the singular had been used; and

(c) words importing the use of any gender shall include all genders where the context or the party referred to so requires, and the rest of the sentence shall be construed as if the necessary grammatical and terminological changes had been made.

16.15 *Original Agreement.* The parties confirm that all prior actions taken by them pursuant to the Original Agreement are effective as if taken under, and are subject to, this Agreement. Each reference herein, or in the Original Agreement to "this Agreement", "hereunder", "hereof", "herein", "hereby", or words of like import shall mean and be a reference to the Original Agreement as amended and restated hereby, and each reference to the Original Agreement in any other document, instrument, or agreement executed and/or delivered in connection with the Original Agreement shall mean and be a reference to the Original Agreement, as amended and restated hereby. This Agreement will not discharge, result in a waiver of, or constitute a novation of any debt, obligation, covenant, or agreement contained in the Original Agreement or in any agreements, certificates, and other documents executed and delivered by or on behalf of one of the parties hereto, which shall remain in full force and effect except to the extent modified by this Agreement

16.16 *Time of Essence.* Time shall be of the essence hereof.

[*Signature Page Follows*]

IN WITNESS WHEREOF this agreement has been executed by the parties hereto as of the date first above written.

EMBARK HEALTH INC.

Per: */Bruce Dawson-Scully/*
Name: Bruce Dawson-Scully
Title: Chief Executive Officer

BEVCANNA ENTERPRISES INC.

Per: */Marcello Leone/*
Name: Marcello Leone
Title: Chief Executive Officer

Per: */John Campbell/*
Name: John Campbell
Title: Chief Financial Officer

1323977 B.C. LTD.

Per: */Marcello Leone/*
Name: Marcello Leone
Title: Director

Per: */John Campbell/*
Name: John Campbell
Title: Chief Financial Officer

_____	*/Bruce Dawson-Scully/* _____
Witness (please print name under signature)	**BRUCE DAWSON-SCULLY**

	/Marcus Richardson/
Witness (please print name under signature)	**MARCUS RICHARDSON**
	/Michael Curtis/
Witness (please print name under signature)	**MICHAEL CURTIS**

Schedule "A"

EMBARK RESOLUTION

BE IT RESOLVED as a special resolution THAT:

1. Embark Health Inc. (the "**Corporation**") is authorized to apply to the Registrar of Corporations appointed under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") to effect the continuation of the Corporation to the BCBCA and such continuation is hereby approved;

2. The amalgamation involving BevCanna Enterprises Inc., the Corporation and 1323977 B.C. Ltd. (the "**Amalgamation**") pursuant to the terms and conditions of the acquisition agreement dated September 19, 2021, as amended and restated in November 2021 (the "**Acquisition Agreement**"), be and the same is hereby approved;

3. The Acquisition Agreement, substantially in the form provided to the shareholders, including all schedules thereto, is hereby ratified, confirmed and approved for adoption and any director or officer of the Corporation is hereby authorized to hereafter amend or revise the Acquisition Agreement without any further consent of the shareholders;

3. Any director or officer of the Corporation be and is hereby authorized and empowered, for and on behalf of the Corporation, to execute and deliver, or cause to be delivered and filed, a continuation application, amalgamation application and such other documents and instruments, and to do or cause to be done, such other actions as such director or officer may determine to be necessary or desirable in order to implement these special resolutions and the matters authorized herein, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments or taking of such actions; and

4. Notwithstanding that these special resolutions have been duly approved by the shareholders of the Corporation, the directors of the Corporation, in their sole discretion and without the requirement to obtain any further approval from the shareholders of the Corporation, are hereby authorized and empowered to revoke these special resolutions at any time before they are acted upon without further approval from the shareholders.

Schedule "B"

KEY EMPLOYEES

- Bruce Dawson-Scully
- David Curtis
- Marcus Richardson
- Tamara Gilpin
- Andrew Wong
- Michael West
- Pushp Singh
- Curtis Leifso
- Craig Flaman

Schedule "C"

FORMS OF CLOSING ESCROW AGREEMENT
AND INDEMNITY ESCROW AGREEMENT

Schedule "D"

ILLUSTRATIVE WORKING CAPITAL CALCULATION

Initial Purchase Price	**$21,000,000**
Incremental Indebtedness + Working Capital Adjustment	
Government Loan (Draft FS 2020)	**$100,000**
Convertible Debenture (Draft FS 2020)	**$392,191**
Increase in Cash	**-$3,000,000**
Mortgage	**$3,000,000**
Total Debt	**$492,191**
Adjusted Purchase Price	**$20,507,809**

Schedule "E"

U.S. REPRESENTATION LETTER

TO: **BEVCANNA ENTERPRISES INC. ("BevCanna")**

RE: **AMENDED AND RESTATED ACQUISITION AGREEMENT DATED NOVEMBER, 2021 (the "Agreement") AMONG BEVCANNA AND EMBARK HEALTH INC. AND CERTAIN OTHER PARTIES**

Capitalized terms not specifically defined in this certification have the meaning ascribed to them in the Agreement to which this Schedule is attached. In the event of a conflict between the terms of this certification and such Agreement, the terms of this certification will prevail.

In addition to the covenants, representations and warranties contained in the Agreement to which this Schedule is attached, the undersigned (the "**U.S. Embark Securityholder**") covenants, represents and warrants to BevCanna that:

(a) It has such knowledge, skill and experience in financial, investment and business matters as to be capable of evaluating the merits and risks of an investment in the Closing Payment Shares and the Earn-Out Preferred Shares (such shares and any BevCanna common shares issued upon conversion of the Earn-Out Shares collectively referred to herein as the "**BevCanna Shares**") and it is able to bear the economic risk of loss of its entire investment. To the extent necessary, the U.S. Embark Securityholder has retained, at his or her own expense, and relied upon, appropriate professional advice regarding the investment, tax and legal merits and consequences of the Agreement and owning the BevCanna Shares.

(b) BevCanna has provided to it the opportunity to ask questions and receive answers concerning the terms and conditions of the Amalgamation and it has had access to such information concerning BevCanna as it has considered necessary or appropriate in connection with its investment decision to acquire the BevCanna Shares, and that any answers to questions and any request for information have been complied with to the U.S. Embark Securityholder's satisfaction.

(c) It is acquiring the BevCanna Shares for its own account, for investment purposes only and not with a view to any resale or distribution and, in particular, it has no intention to distribute either directly or indirectly the BevCanna Shares in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States; provided, however, that this paragraph will not restrict the U.S. Embark Securityholder from selling or otherwise disposing of the BevCanna Shares pursuant to registration thereof pursuant to the U.S. Securities Act and any applicable state securities laws or under an exemption from such registration requirements.

(d) The address of the U.S. Embark Securityholder set out in the signature block below is the true and correct principal address of the U.S. Embark Securityholder and can be relied on by BevCanna for the purposes of state blue-sky laws, and the U.S. Embark Securityholder has not been formed for the specific purpose of purchasing the BevCanna Shares.

(e) It understands (i) the BevCanna Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States; and (ii) the offer and sale contemplated hereby is being made in reliance on an exemption from such registration requirements in reliance on Rule 506(b) of Regulation D of the U.S. Securities Act.

(f) The U.S. Embark Securityholder is

(i) an "accredited investor" as defined in Rule 501(a) of Regulation D of the U.S. Securities Act by virtue of meeting one of the following criteria set forth in Appendix "A" hereto (**please hand-write your initials on the appropriate lines on Appendix "A"**), which Appendix "A" forms an integral part hereof; or

(ii) is not an "accredited investor" as defined in Rule 501(a) of Regulation D of the U.S. Securities Act, has a pre-existing substantive relationship with BevCanna, and has completed Appendix "B" hereto, which forms an integral part hereof.

(g) The U.S. Embark Securityholder has not purchased the BevCanna Shares as a result of any form of "general solicitation" or "general advertising" (as those terms are used in Regulation D under the U.S. Securities Act), including advertisements, articles, press releases, notices or other communications published in any newspaper, magazine or similar media or on the Internet, or broadcast over radio or television, or the Internet or other form of telecommunications, including electronic display, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

(h) It acknowledges that the BevCanna Shares will be "restricted securities", as such term is defined in Rule 144(a)(3) under the U.S. Securities Act, and may not be offered, sold, pledged, or otherwise transferred, directly or indirectly, without prior registration under the U.S. Securities Act and applicable state securities laws, and it agrees that if it decides to offer, sell, pledge or otherwise transfer, directly or indirectly, any of the BevCanna Shares, it will not offer, sell or otherwise transfer, directly or indirectly, the BevCanna Shares except:

(i) to BevCanna;
(ii) outside the United States in an "offshore transactions" meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act, if available, and in compliance with applicable local laws and regulations;
(iii) in compliance with the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or "blue sky" laws; or
(iv) in a transaction that does not require registration under the U.S. Securities Act or any applicable state securities laws governing the offer and sale of securities,
and, in the case of each of (iii) and (iv) above, it has prior to such sale furnished to BevCanna an opinion of counsel in form and substance reasonably satisfactory to BevCanna stating that such transaction is exempt from registration under applicable securities laws and that the legend referred to in paragraph (k) below may be removed.

(i) It understands and agrees that the BevCanna Shares may not be acquired in the United States or by a U.S. Person or on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States unless registered under the U.S. Securities Act and any applicable state securities laws or unless an exemption from such registration requirements is available.

(j) It acknowledges that it has not purchased the BevCanna Shares as a result of, and will not itself engage in, any "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in the United States in respect of the BevCanna Shares which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the BevCanna Shares.

(k) The certificates representing the BevCanna Shares issued hereunder, as well as all certificates issued in exchange for or in substitution of the foregoing, until such time as the same is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws and regulations, will bear, on the face of such certificate, the following legend:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF BEVCANNA ENTERPRISES INC. (THE "COMPANY") THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ALL LOCAL LAWS AND REGULATIONS; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF CLAUSE (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE."

provided, that if the BevCanna Shares were issued at a time when BevCanna qualifies as a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act, and are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S and in compliance with Canadian local laws and regulations, the legend set forth above may be removed by providing an executed declaration to the registrar and transfer agent of BevCanna, in substantially the form set forth as Appendix "C" attached hereto (or in such other forms as BevCanna may prescribe from time to time) and, if requested by BevCanna or the transfer agent, an opinion of counsel of recognized standing in form and substance reasonably satisfactory to BevCanna and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S; and provided, further, that, if any BevCanna Shares are being sold otherwise than in accordance with Regulation S and other than to BevCanna, the legend may be removed by delivery to the registrar and transfer agent and BevCanna of an opinion of counsel, of recognized standing reasonably satisfactory to BevCanna, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

(l) The certificates representing the BevCanna Shares will also be imprinted with a restrictive legend substantially in the following form pursuant to Canadian securities laws:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) [*THE CLOSING DATE*] AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA."

(m) It understands and agrees that there may be material tax consequences to the U.S. Embark Securityholder of an acquisition, holding or disposition of any of the BevCanna Shares. BevCanna gives no opinion and makes no representation with respect to the tax consequences to the U.S. Embark Securityholder under United States, state, local or foreign tax law of the undersigned's acquisition, holding or disposition of such BevCanna Shares. In particular, no determination has been made whether BevCanna will be a "passive foreign investment company" within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended.

(n) It consents to BevCanna making a notation on its records or giving instructions to any transfer agent of BevCanna in order to implement the restrictions on transfer set forth and described in this certification and the Agreement.

(o) It understands and agrees that the financial statements of BevCanna have been or will be prepared in accordance with International Financial Reporting Standards and therefore may be materially different from financial statements prepared under U.S. generally accepted accounting principles and therefore may not be comparable to financial statements of United States companies.

(p) It understands and acknowledges that BevCanna is incorporated outside the United States, consequently, it may be difficult to provide service of process on BevCanna and it may be difficult to enforce any judgment against BevCanna.

(q) It understands that BevCanna does not have any obligation to register the BevCanna Shares under the U.S. Securities Act or any applicable state securities or "blue-sky" laws or to take action so as to permit resales of the BevCanna Shares. Accordingly, the U.S. Embark Securityholder understands that absent registration, it may be required to hold the BevCanna Shares indefinitely. As a consequence, the U.S. Embark Securityholder understands it must bear the economic risks of the investment in the BevCanna Shares for an indefinite period of time.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Effective Time. If any such representations will not be true and accurate prior to the Effective Time, the undersigned will give immediate written notice of such fact to BevCanna prior to the Effective Time.

ONLY U.S. SECURITYHOLDERS NEED COMPLETE AND SIGN

Dated _____.

X _____
Signature of individual (if U.S. Embark Securityholder **is** an individual)

X _____
Authorized signatory (if U.S. Embark Securityholder is **not** an individual)

_____
Name of U.S. Embark Securityholder (**please print**)

_____
Address of U.S. Embark Securityholder (**please print**)

_____
Name of authorized signatory (if applicable) (**please print**)

_____
Official capacity of authorized signatory (if applicable) (**please print**)

Appendix "A" to

U.S. REPRESENTATION LETTER FOR U.S. EMBARK SECURITYHOLDERS

TO BE COMPLETED BY U.S. EMBARK SECURITYHOLDERS THAT *ARE* U.S. ACCREDITED INVESTORS

In addition to the covenants, representations and warranties contained in the Agreement and the Schedule "C" to which this Appendix is attached, the undersigned (the "**U.S. Embark Securityholder**") covenants, represents and warrants to BevCanna that the U.S. Embark Securityholder is an "accredited investor" as defined in Rule 501(a) of Regulation D of the U.S. Securities Act by virtue of meeting one of the following criteria (**please hand-write your initials on the appropriate lines**):

1. Initials _____ Any bank as defined in Section 3(a)(2) of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; any investment company registered under the U.S. Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the U.S. Small Business Investment Act of 1958; any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of US$5,000,000; any employee benefit plan within the meaning of the U.S. *Employee Retirement Income Security Act of 1974* if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US$5,000,000, or, if a self-directed plan, with investment decisions made solely by persons that are "accredited investors" (as such term is defined in Rule 501 of Regulation D of the U.S. Securities Act);

2. Initials _____ Any private business development company as defined in Section 202(a)(22) of the U.S. *Investment Advisers Act of 1940*;

3. Initials _____ Any organization described in Section 501(c)(3) of the U.S. *Internal Revenue Code*, corporation, Massachusetts or similar business trust, partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US$5,000,000;

4. Initials _____ Any trust with total assets in excess of US$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person (being defined as a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment);

5. Initials _____ A natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent, at the time of purchase, exceeds US$1,000,000 (for the purposes of calculating net worth), (i) the person's primary residence will not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of this certification, will not be included as a liability (except that if the amount of such indebtedness outstanding at the time of this certification exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess will be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence will be included as a liability;

6. Initials _____ A natural person who had annual gross income during each of the last two full calendar years in excess of US$200,000 (or together with his or her spouse or spousal equivalent in excess of US$300,000) and reasonably expects to have annual gross income in excess of US$200,000 (or together with his or her spouse or spousal equivalent in excess of US$300,000) during the current calendar year, and no reason to believe that his or her annual gross income will not remain in excess of US$200,000 (or that together with his or her spouse or spousal equivalent will not remain in excess of US$300,000) for the foreseeable future;

7. Initials _____ Any director or executive officer of BevCanna; or

8. Initials _____ Any entity in which all of the equity owners meet the requirements of at least one of the above categories – *if this category is selected, you must identify each equity owner and provide statements from each demonstrating how they qualify as an accredited investor*.

ONLY U.S. SECURITYHOLDERS WHO *ARE* ACCREDITED INVESTORS NEED TO COMPLETE AND SIGN

Dated _____.

X _____
Signature of individual (if U.S. Embark Securityholder **is** an individual)

X _____
Authorized signatory (if U.S. Embark Securityholder is **not** an individual)

_____
Name of U.S. Embark Securityholder (**please print**)

_____
Address of U.S. Embark Securityholder (**please print**)

_____
Name of authorized signatory (if applicable) (**please print**)

_____
Official capacity of authorized signatory (if applicable) (**please print**)

Appendix "B" to

U.S. REPRESENTATION LETTER FOR U.S. EMBARK SECURITYHOLDERS

TO BE COMPLETED BY U.S. EMBARK SECURITYHOLDERS THAT ARE NOT U.S. ACCREDITED INVESTORS

In addition to the covenants, representations and warranties contained in the Agreement and the Representation Letter to which this Appendix is attached, the undersigned (the "**U.S. Embark Securityholder**") covenants, represents and warrants to BevCanna Enterprises Inc. (also referred to herein as the "**Company**") that the U.S. Embark Securityholder understands that the BevCanna Shares have not been and will not be registered under the U.S. Securities Act and that the offer and sale of the BevCanna Shares to the U.S. Embark Securityholder contemplated by the Agreement is intended to be a private offering pursuant to Rule 506(b) of Regulation D of the U.S. Securities Act and/or section 4(a)(2) thereunder.

Your answers will at all times be kept strictly confidential. However, by signing this suitability questionnaire (the "**Questionnaire**") the U.S. Embark Securityholder agrees that the Company may present this Questionnaire to such parties as may be appropriate if called upon to verify the information provided or to establish the availability of an exemption from registration of the private offering under the federal or state securities laws or if the contents are relevant to issue in any action, suit or proceeding to which the Company is a party or by which it is or may be bound. A false statement by the U.S. Embark Securityholder may constitute a violation of law, for which a claim for damages may be made against the U.S. Embark Securityholder. Otherwise, your answers to this Questionnaire will be kept strictly confidential. Please complete the following questionnaire:

1. Educational Background

(a) Briefly describe educational background, relevant institutions attended, dates, degrees:

_____

_____

_____

_____

_____

_____

_____

_____

(b) Briefly describe business involvement or employment during the past 10 years or since graduation from school, whichever period is shorter. (Specific employers need not be named. A sufficient description is needed to assist the Company in determining the extent of vocationally related experience in financial and business matters).

2. Investment experience

(a) Please indicate the frequency of your investment in marketable securities:

( ) Often; ( ) Occasionally; ( ) Seldom; ( ) Never.

(b) Please indicate the frequency of your investment in commodities futures:

( ) Often; ( ) Occasionally; ( ) Seldom; ( ) Never.

(c) Please indicate the frequency of your investment in options:

( ) Often; ( ) Occasionally; ( ) Seldom; ( ) Never.

(d) Please indicate the frequency of your investment in securities purchased on margin:

( ) Often; ( ) Occasionally; ( ) Seldom; ( ) Never.

(e) Please indicate the frequency of your investment in unmarketable securities;

( ) Often; ( ) Occasionally; ( ) Seldom; ( ) Never.

(f) Have your purchased securities sold in reliance on the private offering exemptions from registration pursuant to the U.S. Securities Act or any state laws during the past three years?

Yes No

(g) If you answered "Yes," please provide the following information:

Year	Security	Nature of Issuer	Business Invested	Total Amount

(h) Do you believe you have sufficient knowledge and experience in financial and business affairs that you can evaluate the merits and risks of a purchase of the BevCanna Shares?

Yes No

(i) Do you believe you have sufficient knowledge of investments in general, and investments similar to a purchase of the BevCanna Shares in particular, to evaluate the risks associated with a purchase of the BevCanna Shares?

Yes No

You hereby acknowledge that the foregoing statements are true and accurate to the best of your information and belief and that you will promptly notify the Company of any changes in the foregoing answers.

ONLY U.S. SECURITYHOLDERS WHO *ARE NOT* ACCREDITED INVESTORS NEED TO COMPLETE AND SIGN

Dated _____.

X _____
Signature of individual (if U.S. Embark Securityholder **is** an individual)

X _____
Authorized signatory (if U.S. Embark Securityholder is **not** an individual)

_____
Name of U.S. Embark Securityholder (**please print**)

_____
Address of U.S. Embark Securityholder (**please print**)

_____
Name of authorized signatory (if applicable) (**please print**)

_____
Official capacity of authorized signatory (if applicable) (**please print**)

Appendix "C" to

U.S. REPRESENTATION LETTER FOR U.S. EMBARK SECURITYHOLDERS

Form of Declaration for Removal of Legend

TO: Registrar and transfer agent for the shares of BevCanna Enterprises Inc. (the "**Company**")

The undersigned (A) acknowledges that the sale of the _____common shares in the capital of the Shareholder Represented by certificate number _____, to which this declaration relates, is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and (B) certifies that (1) the undersigned is not an "affiliate" (as defined in Rule 405 under the U.S. Securities Act) of the Company (except solely by virtue of being an officer or director of the Company) or a "distributor", as defined in Regulation S, or an affiliate of a "distributor"; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the Canadian Securities Exchange or a designated offshore securities market within the meaning of Rule 902(b) of Regulation S under the U.S. Securities Act, and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any affiliate of the seller nor any person acting on their behalf has engaged in any directed selling efforts in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act); (5) the seller does not intend to replace the securities sold in reliance on Rule 904 of Regulation S under the U.S. Securities Act with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or a scheme to evade the registration provisions of the U.S. Securities Act. Unless otherwise specified, terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.

Dated: _____

X _____
Signature of individual (if Seller **is** an individual)

X _____
Authorized signatory (if Seller is **not** an individual)

_____
Name of Seller (**please print**)

_____
Name of authorized signatory (if applicable) (**please print**)

_____
Official capacity of authorized signatory (if applicable) (**please print**)

Affirmation by Seller's Broker-Dealer
(Required for sales pursuant to Section (B)(2)(b) above)

We have read the representations of our customer _____ (the "**Seller**") contained in the foregoing Declaration for Removal of Legend, dated _____, 20__, with regard to the sale, for such Seller's account, of _____ common shares (the "**Securities**") of the Shareholder Represented by certificate number _____. We have executed sales of the Securities pursuant to Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), on behalf of the Seller. In that connection, we hereby represent to you as follows:

(1) no offer to sell Securities was made to a person in the United States;

(2) the sale of the Securities was executed in, on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange or [redacted], and, to the best of our knowledge, the sale was not pre-arranged with a buyer in the United States;

(3) no "directed selling efforts" were made in the United States by the undersigned, any affiliate of the undersigned, or any person acting on behalf of the undersigned; and

(4) we have done no more than execute the order or orders to sell the Securities as agent for the Seller and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

For purposes of these representations: "**affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the undersigned; "**directed selling efforts**" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Securities (including, but not be limited to, the solicitation of offers to purchase the Securities from persons in the United States); and "**United States**" means the United States of America, its territories or possessions, any State of the United States, and the District of Columbia.

Legal counsel to the Company shall be entitled to rely upon the representations, warranties and covenants contained herein to the same extent as if this affirmation had been addressed to them.

_____
Name of Firm

By: _____
Authorized Signatory

SCHEDULE "F"

VENDORS

Bruce Dawson-Scully: 2,466,667 Embark Shares.

Marcus Richardson: 2,366,667 Embark Shares.

Michael Curtis: 2,984,005 Embark Shares.

SCHEDULE "G"

EBITDA THRESHOLDS AND

MAXIMUM EARN-OUT AMOUNTS

The Maximum Earn-Out Amount for each period is determined as 20% of the difference between "**Capped**" and "**Threshold**" case annual Adjusted EBITDA.

Period Ending:	**2022-12-31**	**2023-12-31**	**2024-12-31**
Annual Adjusted EBITDA Threshold	**$14,668,592**	**$15,776,314**	**$15,745,166**
Annual Adjusted EBITDA (Capped Amount)	**$28,474,110**	**$31,867,659**	**$31,836,511**

SCHEDULE "H"

AMALCO ARTICLES

Incorporation No. BC_____

BUSINESS CORPORATIONS ACT

ARTICLES

OF

EMBARK HEALTH INC.

Table of Contents

Incorporation No. BC_____

BUSINESS CORPORATIONS ACT

ARTICLES

OF

EMBARK HEALTH INC.

(the "**Company**")

PART 1– INTERPRETATION

1.1 Definitions

Without limiting Article 1.2, in these Articles, unless the context requires otherwise:

(a) **"adjourned meeting"** means the meeting to which a meeting is adjourned under Article 8.6 or 8.9;

(b) **"board"** and **"directors"** mean the board of directors of the Company for the time being;

(c) **"*Business Corporations Act*"** means the *Business Corporations Act*, S.B.C. 2002, c.57, and includes its regulations;

(d) **"Company"** means Embark Health Inc.;

(e) **"*Interpretation Act*"** means the *Interpretation Act*, R.S.B.C. 1996, c. 238; and

(f) **"trustee",** in relation to a shareholder, means the personal or other legal representative of the shareholder, and includes a trustee in bankruptcy of the shareholder.

1.2 Business Corporations Act definitions apply

The definitions in the *Business Corporations Act* apply to these Articles.

1.3 Interpretation Act applies

The *Interpretation Act* applies to the interpretation of these Articles as if these Articles were an enactment.

1.4 Conflict in definitions

If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles.

1.5 Conflict between Articles and legislation

If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

PART 2 – SHARES AND SHARE CERTIFICATES

2.1 Form of share certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.2 Shareholder Entitled to Certificate or Acknowledgement

Unless the shares are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgement of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all.

2.3 Sending of share certificate

Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

2.4 Replacement of worn out or defaced certificate

If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit:

(a) order the certificate to be cancelled; and

(b) issue a replacement share certificate.

2.5 Replacement of lost, stolen or destroyed certificate

If a share certificate is lost, stolen or destroyed, a replacement share certificate must be issued to the person entitled to that certificate if the directors receive:

(a) proof satisfactory to them that the certificate is lost, stolen or destroyed; and

(b) any indemnity the directors consider adequate.

2.6 Splitting share certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two (2) or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request.

2.7 Shares may be uncertificated

Notwithstanding any other provisions of this Part, the directors may, by resolution, provide that:

(a) the shares of any or all of the classes and series of the Company's shares may be uncertificated shares; or

(b) any specified shares may be uncertificated shares.

PART 3 – ISSUE OF SHARES

3.1 Directors authorized to issue shares

The directors may, subject to the rights of the holders of the issued shares of the Company, issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors and officers, in the manner, on the terms and conditions and for the issue prices that the directors, in their absolute discretion, may determine.

3.2 Company need not recognize unregistered interests

Except as required by law or these Articles, the Company need not recognize or provide for any person's interests in or rights to a share unless that person is the shareholder of the share.

PART 4 – SHARE TRANSFERS

4.1 Recording or registering transfer

A transfer of shares of the Company must not be registered:

(a) unless a duly signed instrument of transfer in respect of the shares has been received by the Company and the certificate (or acceptable documents pursuant to Article 2.5 hereof) representing the shares to be transferred has been surrendered and cancelled; or

(b) if no certificate has been issued by the Company in respect of the shares, unless a duly signed instrument of transfer in respect of the shares has been received by the Company.

4.2 Form of instrument of transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

4.3 Signing of instrument of transfer

If a shareholder, or its, his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer, or, if no number is specified, all the shares represented by share certificates deposited with the instrument of transfer:

(a) in the name of the person named as transferee in that instrument of transfer; or

(b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the share certificate is deposited for the purpose of having the transfer registered.

4.4 Enquiry as to title not required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

4.5 Transfer fee

There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors from time to time.

PART 5 – ACQUISITION OF SHARES

5.1 Company authorized to purchase shares

Subject to the special rights and restrictions attached to any class or series of shares, the Company may, if it is authorized to do so by the directors, purchase or otherwise acquire any of its shares.

5.2 Company authorized to accept surrender of shares

The Company may, if it is authorized to do so by the directors, accept a surrender of any of its shares.

5.3 Company authorized to convert fractional shares into whole shares

The Company may, if it is authorized to do so by the directors, convert any of its fractional shares into whole shares in accordance with, and subject to the limitations contained in, the *Business Corporations Act*.

PART 6 – BORROWING POWERS

6.1 Powers of directors

The directors may from time to time on behalf of the Company:

(a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;

(b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person, and at any discount or premium and on such other terms as they consider appropriate;

(c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and

(d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future assets and undertaking of the Company.

PART 7 – GENERAL MEETINGS

7.1 Annual general meetings

Unless an annual general meeting is deferred or waived in accordance with section 182(2)(a) or (c) of the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

7.2 When annual general meeting is deemed to have been held

If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed

under this Article 7.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

7.3 Calling of shareholder meetings

The directors may, whenever they think fit, call a meeting of shareholders.

7.4 Notice for meetings of shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting and to each director, unless these Articles otherwise provide, at least the following number of days before the meeting:

(a) if and for so long as the Company is a public company, 21 days;

(b) otherwise, 10 days.

7.5 Record date for notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

(a) if and for so long as the Company is a public company, 21 days;

(b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

7.6 Record date for voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set as provided above, the record date for determining the shareholders entitled to vote at the meeting shall be 5:00 p.m. the day before the meeting.

7.7 Failure to give notice and waiver of notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

7.8 Notice of special business at meetings of shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 8.1, the notice of meeting must:

(a) state the general nature of the special business; and

(b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

(i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice, and

(ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

PART 8 – PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

8.1 Special business

At a meeting of shareholders, the following business is special business:

(a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting or the election or appointment of directors;

(b) at an annual general meeting, all business is special business except for the following:

(i) business relating to the conduct of or voting at the meeting,

(ii) consideration of any financial statements of the Company presented to the meeting,

(iii) consideration of any reports of the directors or auditor,

(iv) the setting or changing of the number of directors,

(v) the election or appointment of directors,

(vi) the appointment of an auditor,

(vii) the setting of the remuneration of an auditor,

(viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution, and

(ix) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

8.2 Special resolution

The votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

8.3 Quorum

Subject to the special rights and restrictions attached to the shares of any affected class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons, present in person or by proxy.

8.4 Other persons may attend

The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those shareholders do attend a

meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

8.5 Requirement of quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote at the meeting is present at the commencement of the meeting.

8.6 Lack of quorum

If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

(a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved; and

(b) in the case of any other meeting of shareholders, the shareholders entitled to vote at the meeting who are present, in person or by proxy, at the meeting may adjourn the meeting to a set time and place.

8.7 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

(a) the chair of the board, if any;

(b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

8.8 Alternate chair

At any meeting of shareholders, the directors present must choose one of their number to be chair of the meeting if:

(a) there is no chair of the board or president present within 15 minutes after the time set for holding the meeting;

(b) the chair of the board and the president are unwilling to act as chair of the meeting; or

(c) if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting. If, in any of the foregoing circumstances, all of the directors present decline to accept the position of chair or fail to choose one of their number to be chair of the meeting, or if no director is present, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

8.9 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8.10 Notice of adjourned meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

8.11 Motion need not be seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

8.12 Manner of taking a poll

Subject to Article 8.13, if a poll is duly demanded at a meeting of shareholders:

(a) the poll must be taken:

(i) at the meeting, or within 7 days after the date of the meeting, as the chair of the meeting directs, and

(ii) in the manner, at the time and at the place that the chair of the meeting directs;

(b) the result of the poll is deemed to be a resolution of, and passed at, the meeting at which the poll is demanded; and

(c) the demand for the poll may be withdrawn.

8.13 Demand for a poll on adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

8.14 Demand for a poll not to prevent continuation of meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

8.15 Poll not available in respect of election of chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

8.16 Casting of votes on poll

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

8.17 Chair must resolve dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the same, and his or her determination made in good faith is final and conclusive.

8.18 Chair has no second vote

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a casting or second vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

8.19 Declaration of result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting.

8.20 Meetings by telephone or other communications medium

A shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in this Section shall obligate the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a manner contemplated by this Article 8.20:

(a) each such shareholder or proxy holder shall be deemed to be present at the meeting; and

(b) the meeting shall be deemed to be held at the location specified in the notice of the meeting.

PART 9 – ALTERATIONS AND RESOLUTIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by resolution of the directors:

(a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

(b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(c) if the Company is authorized to issue shares of a class of shares with par value:

(i) decrease the par value of those shares,

(ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares,

(iii) subdivide all or any of its unissued or fully paid issued shares with par value into shares of smaller par value, or

(iv) consolidate all or any of its unissued or fully paid issued shares with par value into shares of larger par value;

(d) subdivide or consolidate all or any of its unissued or fully paid issued shares without par value;

(e) change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;

(f) alter the identifying name of any of its shares; or

(g) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Change of Name

The Company may by resolution of the directors authorize an alteration to its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.3 Other Alterations or Resolutions

If the *Business Corporations Act* does not specify:

(a) the type of resolution and these Articles do not specify another type of resolution, the Company may by resolution of the directors authorize any act of the Company, including without limitation, an alteration of these Articles; or

(b) the type of shareholders' resolution and these Articles do not specify another type of shareholders' resolution, the Company may by ordinary resolution authorize any act of the Company.

PART 10 – VOTES OF SHAREHOLDERS

10.1 Voting rights

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 10.3:

(a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote; and

(b) on a poll, every shareholder entitled to vote has one vote in respect of each share held by that shareholder that carries the right to vote on that poll and may exercise that vote either in person or by proxy.

10.2 Trustee of shareholder may vote

A person who is not a shareholder may vote on a resolution at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting in relation to that resolution, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or satisfies all of the directors present at the meeting, that the person is a trustee for a shareholder who is entitled to vote on the resolution.

10.3 Votes by joint shareholders

If there are joint shareholders registered in respect of any share:

(a) any one of the joint shareholders, but not both or all, may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

(b) if more than one of the joint shareholders is present at any meeting, personally or by proxy, the joint shareholder present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share.

10.4 Trustees as joint shareholders

Two or more trustees of a shareholder in whose sole name any share is registered are, for the purposes of Article 10.3, deemed to be joint shareholders.

10.5 Representative of a corporate shareholder

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

(a) for that purpose, the instrument appointing a representative must

(i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least two (2) business days before the day set for the holding of the meeting, or

(ii) unless the notice of the meeting provides otherwise, be provided, at the meeting, to the chair of the meeting; and

(b) if a representative is appointed under this Article 10.5:

(i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder, and

(ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

10.6 When proxy provisions do not apply

Articles 10.7 to 10.13 do not apply to the Company if and for so long as it is a public company.

10.7 Appointment of proxy holder

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint a proxy holder to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

10.8 Alternate proxy holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

10.9 When proxy holder need not be shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

(a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 10.5;

(b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or

(c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

10.10 Form of proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

(Name of Company)

The undersigned, being a shareholder of the above named Company, hereby appoints ..... or, failing that person, ..., as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders to be held on the day of and at any adjournment of that meeting.

Signed this ..... day of ....., ...

.....
Signature of shareholder

10.11 Provision of proxies

A proxy for a meeting of shareholders must:

(a) be received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies, at least the number of business days specified in the notice or, if no number of days is specified, two (2) business days before the day set for the holding of the meeting; or

(b) unless the notice of the meeting provides otherwise, be provided at the meeting to the chair of the meeting.

10.12 Revocation of proxies

Subject to Article 10.13, every proxy may be revoked by an instrument in writing that is:

(a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) provided at the meeting to the chair of the meeting.

10.13 Revocation of proxies must be signed

An instrument referred to in Article 10.12 must be signed as follows:

(a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her trustee; or

(b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 10.5.

10.14 Validity of proxy votes

A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

(a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) by the chair of the meeting, before the vote is taken.

10.15 Production of evidence of authority to vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

10.16 Chair May Determine Validity of Proxy

Unless prohibited by applicable law, the chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Article 10 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

PART 11 – DIRECTORS

11.1 First directors; number of directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 12.7, is set at:

(a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of the Company's first directors;

(b) if the Company is a public company, the greater of three and the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given); and

(c) if the Company is not a public company, the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given).

11.2 Change in number of directors

If the number of directors is set under Articles 11.1(b) or 11.1(c):

(a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;

(b) if, contemporaneously with setting that number, the shareholders do not elect or appoint the directors needed to fill vacancies in the board of directors up to that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

11.3 Directors' acts valid despite vacancy

An act or proceeding of the directors is not invalid merely because fewer directors have been appointed or elected than the number of directors set or otherwise required under these Articles.

11.4 Qualifications of directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

11.5 Remuneration of directors

The directors are entitled to the remuneration, if any, for acting as directors as the directors may from time to time determine. If the directors so decide, the remuneration of the directors will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to a director in such director's capacity as an officer or employee of the Company.

11.6 Reimbursement of expenses of directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

11.7 Special remuneration for directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

11.8 Gratuity, pension or allowance on retirement of director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

PART 12 – ELECTION AND REMOVAL OF DIRECTORS

12.1 Election at annual general meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 7.2:

(a) the shareholders entitled to vote at the annual general meeting for the election of directors may elect, or in the unanimous resolution appoint, a board of directors consisting of up to the number of directors for the time being set under these Articles; and

(b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment.

12.2 Consent to be a director

No election, appointment or designation of an individual as a director is valid unless:

(a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;

(b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or

(c) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

12.3 Failure to elect or appoint directors

If:

(a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 7.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

(b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 7.2, to elect or appoint any directors;

then each director in office at such time continues to hold office until the earlier of:

(c) the date on which his or her successor is elected or appointed; and

(d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

12.4 Directors may fill casual vacancies

Any casual vacancy occurring in the board of directors may be filled by the remaining directors.

12.5 Remaining directors' power to act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or for the purpose of summoning a meeting of shareholders to fill any vacancies on the board of directors or for any other purpose permitted by the *Business Corporations Act*.

12.6 Shareholders may fill vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, and the directors have not filled the vacancies pursuant to Article 12.5 above, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

12.7 Additional directors

Notwithstanding Articles 11.1 and 11.2, between annual general meetings or unanimous resolutions contemplated by Article 7.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 12.7 must not at any time exceed:

(a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 12.7.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 12.1(a), but is eligible for re-election or re-appointment.

12.8 Ceasing to be a director

A director ceases to be a director when:

(a) the term of office of the director expires;

(b) the director dies;

(c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or

(d) the director is removed from office pursuant to Articles 12.9 or 12.10.

12.9 Removal of director by shareholders

The Shareholders may, by special resolution, remove any director before the expiration of his or her term of office, and may, by ordinary resolution, elect or appoint a director to fill the resulting vacancy. If the shareholders do not contemporaneously elect or appoint a director to fill the vacancy created by the removal of a director, then the directors may appoint, or the shareholders may elect or appoint by ordinary resolution, a director to fill that vacancy.

12.10 Removal of director by directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

12.11 Nominations of directors

(a) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company.

(b) Nominations of persons for election to the board may be made at any annual meeting of shareholders or at any special meeting of shareholders (if one of the purposes for which the special meeting was called was the election of directors):

(i) by or at the direction of the board, including pursuant to a notice of meeting,

(ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act*, or

(iii) by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 12.11 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 12.11.

(c) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof

(as provided for in Article 12.11(d)) in proper written form to the secretary of the Company at the principal executive offices of the Company.

(d) To be timely, a Nominating Shareholder's notice to the secretary of the Company must be given:

(i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date"**) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the tenth (10th) day after the Notice Date in respect of such meeting; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

(e) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Company must set forth:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person during the past five years; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (D) a statement as to whether such person would be "independent" of the Company (as such term is defined under Applicable Securities Laws (as defined below)) if elected as a director at such meeting and the reasons and basis for such determination; (E) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Nominating Shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting jointly or in concert therewith, on the one hand, and such nominee, and his or her respective associates, or others acting jointly or in concert therewith, on the other hand; and (F) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and

(ii) as to the Nominating Shareholder giving the notice: (A) any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company; (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of the record by the Nominating Shareholder as of the record

date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (C) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).

(f) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

(g) The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the provisions set forth in this Article 12.11 and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.

(h) For purposes of this Article 12.11:

(i) "**Affiliate**", when used to indicate a relationship with a person, means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;

(ii) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;

(iii) "**Associate**", when used to indicate a relationship with a specified person, means:

A. any corporation or trust of which such person beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding,

B. any partner of that person,

C. any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity,

D. a spouse of such specified person,

E. any person of either sex with whom such specified person is living in a conjugal relationship outside marriage, or

F. any relative of such specified person or of a person mentioned in clauses D or E of this definition if that relative has the same residence as the specified person;

(iv) "**Derivatives Contract**" means a contract between two parties (the "**Receiving Party**" and the "**Counterparty**") that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible

into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the "**Notional Securities**"), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

(v) "**owned beneficially**" or "**owns beneficially**" means, in connection with the ownership of shares in the capital of the Company by a person:

A. any such shares as to which such person or any of such person's Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,

B. any such shares as to which such person or any of such person's Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,

C. any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty's Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person's Affiliates or Associates is a Receiving Party; provided, however, that the number of shares that a person owns beneficially pursuant to this clause in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate, and

D. any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities, and

(vi) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

(i) Notwithstanding any other provision of this Article 12.11, notice given to the secretary of the Company pursuant to this Article 12.11 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid, provided that receipt of confirmation of such transmission has been received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

(j) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 12.11.

PART 13 – PROCEEDINGS OF DIRECTORS

13.1 Meetings of directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place and at the time that the board may by resolution from time to time determine.

13.2 Chair of meetings

Meetings of directors are to be chaired by:

(a) the chair of the board, if any;

(b) in the absence of the chair of the board, the president, if any, if the president is a director; or

(c) any other director chosen by the directors if:

(i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting,

(ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting, or

(iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

13.3 Voting at meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

13.4 Meetings by telephone or other communications medium

A director may participate in a meeting of the directors or of any committee of the directors in person, or by telephone or other communications medium, if all directors participating in the meeting are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 13.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner**.**

13.5 Who may call extraordinary meetings

A director may call a meeting of the board at any time. The secretary, if any, must on request of a director, call a meeting of the board.

13.6 Notice of extraordinary meetings

Subject to Articles 13.7 and 13.8, if a meeting of the board is called under Article 13.5, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors:

(a) by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose;

(b) by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose; or

(c) orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

13.7 When notice not required

It is not necessary to give notice of a meeting of the directors to a director if:

(a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed;

(b) the director has filed a waiver under Article 13.9; or

(c) the director attends such meeting.

13.8 Meeting valid despite failure to give notice

The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

13.9 Waiver of notice of meetings

Any director may file with the Company a notice waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal.

13.10 Effect of waiver

After a director files a waiver under Article 13.9 with respect to future meetings of the directors, and until that waiver is withdrawn, notice of any meeting of the directors need not be given to that director unless the director otherwise requires in writing to the Company.

13.11 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

13.12 If only one director

If, in accordance with Article 11.1, the number of directors is one, the quorum necessary for the transaction of the business of the directors is one director, and that director may constitute a meeting.

PART 14 – COMMITTEES OF DIRECTORS

14.1 Appointment of committees

The directors may, by resolution:

(a) appoint one or more committees consisting of the director or directors that they consider appropriate;

(b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:

(i) the power to fill vacancies in the board,

(ii) the power to change the membership of, or fill vacancies in, any committee of the board, and

(iii) the power to appoint or remove officers appointed by the board; and

(c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

14.2 Obligations of committee

Any committee formed under Article 14.1, in the exercise of the powers delegated to it, must:

(a) conform to any rules that may from time to time be imposed on it by the directors; and

(b) report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

14.3 Powers of board

The board may, at any time:

(a) revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding;

(b) terminate the appointment of, or change the membership of, a committee; and

(c) fill vacancies in a committee.

14.4 Committee meetings

Subject to Article 14.2(a):

(a) the members of a directors' committee may meet and adjourn as they think proper;

(b) a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

(c) a majority of the members of a directors' committee constitutes a quorum of the committee; and

(d) questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

PART 15 – OFFICERS

15.1 Appointment of officers

The board may, from time to time, appoint a president, secretary or any other officers that it considers necessary or desirable, and none of the individuals appointed as officers need be a member of the board.

15.2 Functions, duties and powers of officers

The board may, for each officer:

(a) determine the functions and duties the officer is to perform;

(b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and

(c) from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

15.3 Remuneration

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board.

PART 16 – CERTAIN PERMITTED ACTIVITIES OF DIRECTORS

16.1 Other office of director

A director may hold any office or place of profit with the Company (other than the office of auditor of the Company) in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

16.2 No disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise.

16.3 Professional services by director or officer

Subject to compliance with the provisions of the *Business Corporations Act*, a director or officer of the Company, or any corporation or firm in which that individual has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such corporation or firm is entitled to remuneration for professional services as if that individual were not a director or officer.

16.4 Remuneration and benefits received from certain entities

A director or officer may be or become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested as a shareholder or otherwise, and, subject to compliance with the provisions of the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation, firm or entity.

PART 17 – INDEMNIFICATION

17.1 Indemnification of directors

The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted by Division 5 of Part 5 of the *Business Corporations Act*.

17.2 Deemed contract

Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in Article 17.1.

PART 18 – AUDITOR

18.1 Remuneration of an auditor

The directors may set the remuneration of the auditor of the Company without the prior approval of the shareholders.

18.2 Waiver of appointment of an auditor

The Company shall not be required to appoint an auditor if all of the shareholders of the Company, whether or not their shares otherwise carry the right to vote, resolve by a unanimous resolution to waive the appointment of an auditor. Such waiver may be given before, on or after the date on which an auditor is required to be appointed under the *Business Corporations Act*, and is effective for one financial year only.

PART 19 – DIVIDENDS

19.1 Declaration of dividends

Subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

19.2 No notice required

The directors need not give notice to any shareholder of any declaration under Article 19.1.

19.3 Directors may determine when dividend payable

Any dividend declared by the directors may be made payable on such date as is fixed by the directors.

19.4 Dividends to be paid in accordance with number of shares

Subject to the rights of shareholders, if any, holding shares with special rights as to dividends, all dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

19.5 Manner of paying dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of paid up shares or fractional shares, bonds, debentures or other debt obligations of the Company, or in any one or more of those ways, and, if any difficulty arises in regard to the distribution, the directors may settle the difficulty as they consider expedient, and, in particular, may set the value for distribution of specific assets.

19.6 Dividend bears no interest

No dividend bears interest against the Company.

19.7 Fractional dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

19.8 Payment of dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed:

(a) subject to paragraphs (b) and (c), to the address of the shareholder;

(b) subject to paragraph (c), in the case of joint shareholders, to the address of the joint shareholder whose name stands first on the central securities register in respect of the shares; or

(c) to the person and to the address as the shareholder or joint shareholders may direct in writing.

19.9 Receipt by joint shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

PART 20 – ACCOUNTING RECORDS

20.1 Recording of financial affairs

The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

PART 21 – EXECUTION OF INSTRUMENTS

21.1 Who may attest seal

The Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of:

(a) any two (2) directors;

(b) any officer, together with any director;

(c) if the Company has only one director, that director; or

(d) any one or more directors or officers or persons as may be determined by resolution of the directors.

21.2 Sealing copies

For the purpose of certifying under seal a true copy of any resolution or other document, the seal must be impressed on that copy and, despite Article 21.1, may be attested by the signature of any director or officer.

21.3 Execution of documents not under seal

Any instrument, document or agreement for which the seal need not be affixed may be executed for and on behalf of and in the name of the Company by any one director or officer of the Company, or by any other person appointed by the directors for such purpose.

PART 22 – NOTICES

22.1 Method of giving notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

(a) mail addressed to the person at the applicable address for that person as follows:

(i) for a record mailed to a shareholder, the shareholder's registered address,

(ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class, or

(iii) in any other case, the mailing address of the intended recipient;

(b) delivery at the applicable address for that person as follows, addressed to the person:

(i) for a record delivered to a shareholder, the shareholder's registered address,

(ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class,

(iii) in any other case, the delivery address of the intended recipient;

(c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

(d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;

(e) physical delivery to the intended recipient; or

(f) such other manner of delivery as is permitted by applicable legislation governing electronic delivery.

22.2 Deemed receipt of mailing

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 22.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

22.3 Certificate of sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 22.1, prepaid and mailed or otherwise sent as permitted by Article 22.1 is conclusive evidence of that fact.

22.4 Notice to joint shareholders

A notice, statement, report or other record may be provided by the Company to the joint registered shareholders of a share by providing the notice to the joint registered shareholder first named in the central securities register in respect of the share.

22.5 Notice to trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

(a) mailing the record, addressed to them:

(i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description, and

(ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

(b) if an address referred to in Article 22.5(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

PART 23 – RESTRICTION ON SHARE TRANSFER

23.1 Application

Article 23.2 does not apply to the Company if and for so long as it is a public company.

23.2 Consent required for transfer

No shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Full Name and Signature of Director	Date of Signing
_____ **MARCELLO LEONE**	♦ ____, 2021

SCHEDULE "I"

AMALGAMATION APPLICATION

BC Limited Company

AMALGAMATION APPLICATION

BUSINESS CORPORATIONS ACT, section 275

BC Registry Services

Telephone: 1 877 526-1526
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street
Victoria BC V8W 3E6

DO NOT MAIL THIS FORM to BC Registry Services unless you are instructed to do so by registry staff. The Regulation under the *Business Corporations Act* requires the electronic version of this form to be filed on the Internet at www.corporateonline.gov.bc.ca

Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information provided on this form is collected, used and disclosed under the authority of the *FOIPPA* and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

A INITIAL INFORMATION – *When the amalgamation is complete, your company will be a BC limited company.*

What kind of company(ies) will be involved in this amalgamation?
(Check all applicable boxes.)

- [x] BC company
- [ ] BC unlimited liability company

B NAME OF COMPANY – *Choose **one** of the following:*

- [ ] The name _____ is the name reserved for the amalgamated company. The name reservation number is: _____,

OR

- [ ] The company is to be amalgamated with a name created by adding "B.C. Ltd." after the incorporation number,

OR

- [x] The amalgamated company is to adopt, as its name, the name of one of the amalgamating companies.

  The name of the amalgamating company being adopted is:

  Embark Health Inc.

  The incorporation number of that company is: _____

Please note: If you want the name of an amalgamating corporation that is a foreign corporation, you must obtain a name approval before completing this amalgamation application.

C AMALGAMATION STATEMENT – *Please indicate the statement applicable to this amalgamation.*

- [ ] **With Court Approval:**
  This amalgamation has been approved by the court and a copy of the entered court order approving the amalgamation has been obtained and has been deposited in the records office of each of the amalgamating companies.

OR

- [x] **Without Court Approval:**
  This amalgamation has been effected without court approval. A copy of all of the required affidavits under section 277(1) have been obtained and the affidavit obtained from each amalgamating company has been deposited in that company's records office.

D AMALGAMATION EFFECTIVE DATE – *Choose **one** of the following:*

☐ The amalgamation is to take effect at the time that this application is filed with the registrar.

☑ The amalgamation is to take effect at 12:01a.m. Pacific Time on YYYY / MM / DD _____ being a date that is not more than ten days after the date of the filing of this application.

☐ The amalgamation is to take effect at _____ ☐ a.m. or ☐ p.m. Pacific Time on YYYY / MM / DD _____ being a date and time that is not more than ten days after the date of the filing of this application.

E AMALGAMATING CORPORATIONS

Enter the name of each amalgamating corporation below. For each company, enter the incorporation number. If the amalgamating corporation is a foreign corporation, enter the foreign corporation's jurisdiction and if registered in BC as an extraprovincial company, enter the extraprovincial company's registration number. Attach an additional sheet if more space is required.

NAME OF AMALGAMATING CORPORATION	BC INCORPORATION NUMBER, OR EXTRAPROVINCIAL REGISTRATION NUMBER IN BC	FOREIGN CORPORATION'S JURISDICTION
1. Subco	TBD	
2. Embark Health Inc.	TBD	
3.		
4.		
5.		

F FORMALITIES TO AMALGAMATION

If any amalgamating corporation is a foreign corporation, section 275 (1)(b) requires an authorization for the amalgamation from the foreign corporation's jurisdiction to be filed.

☐ This is to confirm that each authorization for the amalgamation required under section 275(1)(b) is being submitted for filing concurrently with this application.

G CERTIFIED CORRECT – I have read this form and found it to be correct.

This form must be signed by an authorized signing authority for each of the amalgamating companies as set out in Item E.

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
1. Marcello Leone	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
2. Bruce Dawson-Scully	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
3.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
4.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
5.	X	

NOTICE OF ARTICLES

A NAME OF COMPANY

Set out the name of the company as set out in Item B of the Amalgamation Application.

Embark Health Inc.

B TRANSLATION OF COMPANY NAME

Set out every translation of the company name that the company intends to use outside of Canada.

C DIRECTOR NAME(S) AND ADDRESS(ES)

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

LAST NAME	FIRST NAME	MIDDLE NAME	
Leone	Marcello		
DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
LAST NAME	FIRST NAME	MIDDLE NAME	
DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
LAST NAME	FIRST NAME	MIDDLE NAME	
DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
LAST NAME	FIRST NAME	MIDDLE NAME	
DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE
MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

D REGISTERED OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S REGISTERED OFFICE	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

MAILING ADDRESS OF THE COMPANY'S REGISTERED OFFICE	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

E RECORDS OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S RECORDS OFFICE	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

MAILING ADDRESS OF THE COMPANY'S RECORDS OFFICE	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

F AUTHORIZED SHARE STRUCTURE

Identifying name of class or series of shares	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number.		Kind of shares of this class or series of shares.			Are there special rights or restrictions attached to the shares of this class or series of shares?	
	THERE IS NO MAXIMUM (✔)	MAXIMUM NUMBER OF SHARES AUTHORIZED	WITHOUT PAR VALUE (✔)	WITH A PAR VALUE OF ($)	Type of currency	YES (✔)	NO (✔)
Common	✓		✓				✓

SCHEDULE "J"

BEVCANNA RESOLUTION

BE IT RESOLVED THAT, as a special resolution of the shareholders of the Company:

1. the authorized share capital of the Company be altered by the creation of an unlimited number of Preferred Shares without par value, issuable in series;

2. there be created and attached to the Common shares and Preferred Shares the special rights and restrictions set out in Part 24 of the articles of the Company as adopted by paragraph 3 of these resolutions;

3. the articles of the Company be altered by deleting and cancelling the existing Part 24 thereof and by creating and adopting as Part 24 of the articles of the Company the Part 24 attached hereto as Appendix "A";

4. the notice of articles and articles of the Company be amended to reflect the above changes;

5. the amendment to the notice of articles and articles of the Company will take effect immediately after the alteration of the notice of articles of the Company is filed with the British Columbia Registrar of Companies; and

6. any director or officer of the Company is hereby authorized to execute and deliver the amended notice of articles and amended articles of the corporation and to execute, whether under corporate seal or otherwise, and deliver all such other documents and to do all such acts and things that such director or officer may, in his or her sole discretion, deem to be necessary or desirable to give effect to the foregoing."

Appendix A:

Part 24 - Special Rights and Restrictions

24.1 Definitions

(a) "**Common Shares**" means the common shares in the capital of the Company; and

(b) "**Preferred Shares**" means the Preferred shares in the capital of the Company, issuable in series.

24.2 Common Shares

(a) General. The voting, dividend and liquidation rights of the holders of Common Shares are subject to and qualified by the rights, powers and preferences of the holders of Preferred Shares.

(b) Voting. The holders of Common Shares are entitled to one vote for each Common Share held at all meetings of shareholders (and written actions in lieu of meetings).

(c) Dividends. The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares of the Company, to receive dividends if, as and when declared by the board of directors of the Company.

(d) Liquidation, Dissolution or Winding-Up. The holders of the Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares of the

Company, to receive the remaining property of the Company on a liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

24.3 Preferred shares issuable in series

The Preferred Shares may include one or more series and, subject to the *Business Corporations Act*, the directors may, by resolution, if none of the shares of that particular series are issued, alter the Articles of the Company and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of the following:

(a) create a series of the shares;

(b) create an identifying name for the shares of that series, or alter any such identifying name;

(c) determine the maximum number of shares of that series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination; and

(d) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions.

SCHEDULE "K"

CONTINUATION APPLICATION

BRITISH COLUMBIA | BC Registry Services

Foreign Corporation

CONTINUATION APPLICATION

BUSINESS CORPORATIONS ACT, section 302

Telephone: 1 877 526-1526
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street
Victoria BC V8W 3E6

DO NOT MAIL THIS FORM to BC Registry Services unless you are instructed to do so by registry staff. The Regulation under the *Business Corporations Act* requires the electronic version of this form to be filed on the Internet at www.corporateonline.gov.bc.ca

Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information provided on this form is collected, used and disclosed under the authority of the *FOIPPA* and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

If you are continuing a company into BC and want the BC incorporation number as its name, you will need to file this form on paper. Complete this form and mail to the Corporate Registry, along with a letter from the corporation's home jurisdiction authorizing the continuation in. For information on the content of the authorization letter, see the Corporate Online Help Centre at www.corporateonline.gov.bc.ca for "Continuation Application" and "Authorization for Continuation In."

A NAME OF COMPANY – *Choose **one** of the following:*

☑ The name Embark Health Inc. is the name reserved for the foreign corporation to be continued in. The name reservation number is: _____ , *OR*

☐ The foreign corporation is to be continued in with a name created by adding "B.C. Ltd." after the incorporation number of the company.

B FOREIGN CORPORATION'S CURRENT JURISDICTION

1. Corporate number assigned by the foreign corporation's jurisdiction: 1080330-8
2. Corporation's name in the foreign corporation's jurisdiction: Embark Health Inc.
3. Foreign corporation's date of incorporation or the most recent date of amalgamation or continuation: YYYY / MM / DD 2018/05/28
4. Foreign corporation's jurisdiction of incorporation, amalgamation or continuation

   Federal

C AUTHORIZATION FOR CONTINUATION

Authorization for the continuation from the foreign corporation's jurisdiction is:

☑ ATTACHED ☐ ALREADY FILED

D REGISTRATION AS AN EXTRAPROVINCIAL COMPANY

Is the foreign corporation currently registered in BC as an extraprovincial company?

☑ YES ☐ NO

If YES, enter the BC registration number and name of the extraprovincial company below:

Extraprovincial Registration Number in BC: A0106949

Extraprovincial Company Name in BC: Embark Health Inc.

(Including assumed name, if any, approved for use in BC) _____

E CERTIFIED CORRECT – I have read this form and found it to be correct.

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE FOREIGN CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE FOREIGN CORPORATION	DATE SIGNED YYYY / MM / DD
Bruce Dawson-Scully	X	

NOTICE OF ARTICLES

A NAME OF COMPANY

Set out the name of the company as set out in Item A of the Continuation Application.

Embark Health Inc.

B TRANSLATION OF COMPANY NAME

Set out every translation of the company name that the company intends to use outside of Canada.

C DIRECTOR NAME(S) AND ADDRESS(ES)

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

LAST NAME	FIRST NAME	MIDDLE NAME
Dawson-Scully	Bruce	

DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

LAST NAME	FIRST NAME	MIDDLE NAME

DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

LAST NAME	FIRST NAME	MIDDLE NAME

DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

LAST NAME	FIRST NAME	MIDDLE NAME

DELIVERY ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

MAILING ADDRESS	PROVINCE/STATE	COUNTRY	POSTAL CODE/ZIP CODE

D REGISTERED OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S REGISTERED OFFICE

	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

MAILING ADDRESS OF THE COMPANY'S REGISTERED OFFICE

	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

E RECORDS OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S RECORDS OFFICE

	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

MAILING ADDRESS OF THE COMPANY'S RECORDS OFFICE

	PROVINCE	POSTAL CODE
800 - 885 West Georgia Street, Vancouver	BC	V6C 3H1

F AUTHORIZED SHARE STRUCTURE

Identifying name of class or series of shares	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number.		Kind of shares of this class or series of shares.			Are there special rights or restrictions attached to the shares of this class or series of shares?	
	THERE IS NO MAXIMUM (✔)	MAXIMUM NUMBER OF SHARES AUTHORIZED	WITHOUT PAR VALUE (✔)	WITH A PAR VALUE OF ($)	Type of currency	YES (✔)	NO (✔)
Common	✓		✓				✓
Preferred	✓		✓			✓	
							✓

BRITISH COLUMBIA | BC Registry Services

BUSINESS NUMBER REQUEST

BUSINESS NUMBERS ACT, section 7

Telephone: 1 877 526-1526
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street
Victoria BC V8W 3E6

INSTRUCTIONS:

Please type or print clearly in block letters.

The Province of British Columbia has entered into a partnership with the Canada Revenue Agency (CRA) to use the national Business Number (BN) as a convenient way for corporations to identify themselves when communicating with federal and provincial governments.

The Corporate Registry, under the authority of the *Business Number Act*, is therefore collecting the BN from both corporations applying for registration in British Columbia and corporations currently registered in British Columbia. This will allow corporations to use their BN as an identifier the next time they communicate with the Corporate Registry.

You will already have a BN if you have been incorporated federally or if you are incorporated in another Canadian jurisdiction.

You may have also received a BN from CRA if you:

- collect GST/HST;
- have employees;
- import or export goods to or from Canada;
- operate a taxi or limo service;
- are registered with WorkSafeBC, and/or;
- are registered to do business in another Canadian jurisdiction

Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information provided on this form is collected, used and disclosed under the authority of the *FOIPPA* and the *Business Number Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

COMPLETE ITEM A OR B

A BUSINESS NUMBER

Your **Business Number** (e.g., GST/HST account) would be displayed as a 15 character identifier, for example: **82123 5679 RT 0001**. The first nine numbers uniquely identify your business – it's those numbers we need.

Please enter the first 9 digits here:

752480087

B DIRECTOR NAME

If you do not have a Business Number please enter the name of a director of your corporation (as per CRA requirements) so that we can request one for you. The director's name is confidential information and is collected under the authority of the *Business Number Act*.

LAST NAME FIRST NAME

SCHEDULE "L"

CONTINUATION ARTICLES

Incorporation No. C_____

BUSINESS CORPORATIONS ACT

ARTICLES

OF

EMBARK HEALTH INC.

Table of Contents

Incorporation No. C_____

BUSINESS CORPORATIONS ACT

ARTICLES

OF

EMBARK HEALTH INC.

(the "**Company**")

PART 1– INTERPRETATION

1.1 Definitions

Without limiting Article 1.2, in these Articles, unless the context requires otherwise:

(a) **"adjourned meeting"** means the meeting to which a meeting is adjourned under Article 8.6 or 8.9;

(b) **"board"** and **"directors"** mean the board of directors of the Company for the time being;

(c) **"*Business Corporations Act*"** means the *Business Corporations Act*, S.B.C. 2002, c.57, and includes its regulations;

(d) **"Company"** means Embark Health Inc.;

(e) **"*Interpretation Act*"** means the *Interpretation Act*, R.S.B.C. 1996, c. 238; and

(f) **"trustee",** in relation to a shareholder, means the personal or other legal representative of the shareholder, and includes a trustee in bankruptcy of the shareholder.

1.2 Business Corporations Act definitions apply

The definitions in the *Business Corporations Act* apply to these Articles.

1.3 Interpretation Act applies

The *Interpretation Act* applies to the interpretation of these Articles as if these Articles were an enactment.

1.4 Conflict in definitions

If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles.

1.5 Conflict between Articles and legislation

If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

PART 2 – SHARES AND SHARE CERTIFICATES

2.1 Form of share certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.2 Shareholder Entitled to Certificate or Acknowledgement

Unless the shares are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgement of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all.

2.3 Sending of share certificate

Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

2.4 Replacement of worn out or defaced certificate

If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit:

(a) order the certificate to be cancelled; and

(b) issue a replacement share certificate.

2.5 Replacement of lost, stolen or destroyed certificate

If a share certificate is lost, stolen or destroyed, a replacement share certificate must be issued to the person entitled to that certificate if the directors receive:

(a) proof satisfactory to them that the certificate is lost, stolen or destroyed; and

(b) any indemnity the directors consider adequate.

2.6 Splitting share certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two (2) or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request.

2.7 Shares may be uncertificated

Notwithstanding any other provisions of this Part, the directors may, by resolution, provide that:

(a) the shares of any or all of the classes and series of the Company's shares may be uncertificated shares; or

(b) any specified shares may be uncertificated shares.

PART 3 – ISSUE OF SHARES

3.1 Directors authorized to issue shares

The directors may, subject to the rights of the holders of the issued shares of the Company, issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors and officers, in the manner, on the terms and conditions and for the issue prices that the directors, in their absolute discretion, may determine.

3.2 Company need not recognize unregistered interests

Except as required by law or these Articles, the Company need not recognize or provide for any person's interests in or rights to a share unless that person is the shareholder of the share.

PART 4 – SHARE TRANSFERS

4.1 Recording or registering transfer

A transfer of shares of the Company must not be registered:

(a) unless a duly signed instrument of transfer in respect of the shares has been received by the Company and the certificate (or acceptable documents pursuant to Article 2.5 hereof) representing the shares to be transferred has been surrendered and cancelled; or

(b) if no certificate has been issued by the Company in respect of the shares, unless a duly signed instrument of transfer in respect of the shares has been received by the Company.

4.2 Form of instrument of transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

4.3 Signing of instrument of transfer

If a shareholder, or its, his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer, or, if no number is specified, all the shares represented by share certificates deposited with the instrument of transfer:

(a) in the name of the person named as transferee in that instrument of transfer; or

(b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the share certificate is deposited for the purpose of having the transfer registered.

4.4 Enquiry as to title not required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

4.5 Transfer fee

There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors from time to time.

PART 5 – ACQUISITION OF SHARES

5.1 Company authorized to purchase shares

Subject to the special rights and restrictions attached to any class or series of shares, the Company may, if it is authorized to do so by the directors, purchase or otherwise acquire any of its shares.

5.2 Company authorized to accept surrender of shares

The Company may, if it is authorized to do so by the directors, accept a surrender of any of its shares.

5.3 Company authorized to convert fractional shares into whole shares

The Company may, if it is authorized to do so by the directors, convert any of its fractional shares into whole shares in accordance with, and subject to the limitations contained in, the *Business Corporations Act*.

PART 6 – BORROWING POWERS

6.1 Powers of directors

The directors may from time to time on behalf of the Company:

(a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;

(b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person, and at any discount or premium and on such other terms as they consider appropriate;

(c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and

(d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future assets and undertaking of the Company.

PART 7 – GENERAL MEETINGS

7.1 Annual general meetings

Unless an annual general meeting is deferred or waived in accordance with section 182(2)(a) or (c) of the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

7.2 When annual general meeting is deemed to have been held

If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed

under this Article 7.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

7.3 Calling of shareholder meetings

The directors may, whenever they think fit, call a meeting of shareholders.

7.4 Notice for meetings of shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting and to each director, unless these Articles otherwise provide, at least the following number of days before the meeting:

(a) if and for so long as the Company is a public company, 21 days;

(b) otherwise, 10 days.

7.5 Record date for notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

(a) if and for so long as the Company is a public company, 21 days;

(b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

7.6 Record date for voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set as provided above, the record date for determining the shareholders entitled to vote at the meeting shall be 5:00 p.m. the day before the meeting.

7.7 Failure to give notice and waiver of notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

7.8 Notice of special business at meetings of shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 8.1, the notice of meeting must:

(a) state the general nature of the special business; and

(b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

(i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice, and

(ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

PART 8 – PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

8.1 Special business

At a meeting of shareholders, the following business is special business:

(a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting or the election or appointment of directors;

(b) at an annual general meeting, all business is special business except for the following:

(i) business relating to the conduct of or voting at the meeting,

(ii) consideration of any financial statements of the Company presented to the meeting,

(iii) consideration of any reports of the directors or auditor,

(iv) the setting or changing of the number of directors,

(v) the election or appointment of directors,

(vi) the appointment of an auditor,

(vii) the setting of the remuneration of an auditor,

(viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution, and

(ix) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

8.2 Special resolution

The votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

8.3 Quorum

Subject to the special rights and restrictions attached to the shares of any affected class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons, present in person or by proxy.

8.4 Other persons may attend

The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those shareholders do attend a meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

8.5 Requirement of quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote at the meeting is present at the commencement of the meeting.

8.6 Lack of quorum

If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

(a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved; and

(b) in the case of any other meeting of shareholders, the shareholders entitled to vote at the meeting who are present, in person or by proxy, at the meeting may adjourn the meeting to a set time and place.

8.7 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

(a) the chair of the board, if any;

(b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

8.8 Alternate chair

At any meeting of shareholders, the directors present must choose one of their number to be chair of the meeting if:

(a) there is no chair of the board or president present within 15 minutes after the time set for holding the meeting;

(b) the chair of the board and the president are unwilling to act as chair of the meeting; or

(c) if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting. If, in any of the foregoing circumstances, all of the directors present decline to accept the position of chair or fail to choose one of their number to be chair of the meeting, or if no director is present, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

8.9 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8.10 Notice of adjourned meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

8.11 Motion need not be seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

8.12 Manner of taking a poll

Subject to Article 8.13, if a poll is duly demanded at a meeting of shareholders:

(a) the poll must be taken:

(i) at the meeting, or within 7 days after the date of the meeting, as the chair of the meeting directs, and

(ii) in the manner, at the time and at the place that the chair of the meeting directs;

(b) the result of the poll is deemed to be a resolution of, and passed at, the meeting at which the poll is demanded; and

(c) the demand for the poll may be withdrawn.

8.13 Demand for a poll on adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

8.14 Demand for a poll not to prevent continuation of meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

8.15 Poll not available in respect of election of chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

8.16 Casting of votes on poll

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

8.17 Chair must resolve dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the same, and his or her determination made in good faith is final and conclusive.

8.18 Chair has no second vote

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a casting or second vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

8.19 Declaration of result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting.

8.20 Meetings by telephone or other communications medium

A shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in this Section shall obligate the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a manner contemplated by this Article 8.20:

(a) each such shareholder or proxy holder shall be deemed to be present at the meeting; and

(b) the meeting shall be deemed to be held at the location specified in the notice of the meeting.

PART 9 – ALTERATIONS AND RESOLUTIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by resolution of the directors:

(a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

(b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(c) if the Company is authorized to issue shares of a class of shares with par value:

(i) decrease the par value of those shares,

(ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares,

(iii) subdivide all or any of its unissued or fully paid issued shares with par value into shares of smaller par value, or

(iv) consolidate all or any of its unissued or fully paid issued shares with par value into shares of larger par value;

(d) subdivide or consolidate all or any of its unissued or fully paid issued shares without par value;

(e) change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;

(f) alter the identifying name of any of its shares; or

(g) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Change of Name

The Company may by resolution of the directors authorize an alteration to its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.3 Other Alterations or Resolutions

If the *Business Corporations Act* does not specify:

(a) the type of resolution and these Articles do not specify another type of resolution, the Company may by resolution of the directors authorize any act of the Company, including without limitation, an alteration of these Articles; or

(b) the type of shareholders' resolution and these Articles do not specify another type of shareholders' resolution, the Company may by ordinary resolution authorize any act of the Company.

PART 10 – VOTES OF SHAREHOLDERS

10.1 Voting rights

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 10.3:

(a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote; and

(b) on a poll, every shareholder entitled to vote has one vote in respect of each share held by that shareholder that carries the right to vote on that poll and may exercise that vote either in person or by proxy.

10.2 Trustee of shareholder may vote

A person who is not a shareholder may vote on a resolution at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting in relation to that resolution, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or satisfies all of the directors present at the meeting, that the person is a trustee for a shareholder who is entitled to vote on the resolution.

10.3 Votes by joint shareholders

If there are joint shareholders registered in respect of any share:

(a) any one of the joint shareholders, but not both or all, may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

(b) if more than one of the joint shareholders is present at any meeting, personally or by proxy, the joint shareholder present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share.

10.4 Trustees as joint shareholders

Two or more trustees of a shareholder in whose sole name any share is registered are, for the purposes of Article 10.3, deemed to be joint shareholders.

10.5 Representative of a corporate shareholder

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

(a) for that purpose, the instrument appointing a representative must

(i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least two (2) business days before the day set for the holding of the meeting, or

(ii) unless the notice of the meeting provides otherwise, be provided, at the meeting, to the chair of the meeting; and

(b) if a representative is appointed under this Article 10.5:

(i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder, and

(ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

10.6 When proxy provisions do not apply

Articles 10.7 to 10.13 do not apply to the Company if and for so long as it is a public company.

10.7 Appointment of proxy holder

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint a proxy holder to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

10.8 Alternate proxy holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

10.9 When proxy holder need not be shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

(a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 10.5;

(b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or

(c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

10.10 Form of proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

(Name of Company)

The undersigned, being a shareholder of the above named Company, hereby appoints ..... or, failing that person, ..., as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders to be held on the day of and at any adjournment of that meeting.

Signed this ..... day of ....., ...

.....
Signature of shareholder

10.11 Provision of proxies

A proxy for a meeting of shareholders must:

(a) be received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies, at least the number of business days specified in the notice or, if no number of days is specified, two (2) business days before the day set for the holding of the meeting; or

(b) unless the notice of the meeting provides otherwise, be provided at the meeting to the chair of the meeting.

10.12 Revocation of proxies

Subject to Article 10.13, every proxy may be revoked by an instrument in writing that is:

(a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) provided at the meeting to the chair of the meeting.

10.13 Revocation of proxies must be signed

An instrument referred to in Article 10.12 must be signed as follows:

(a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her trustee; or

(b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 10.5.

10.14 Validity of proxy votes

A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

(a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) by the chair of the meeting, before the vote is taken.

10.15 Production of evidence of authority to vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

10.16 Chair May Determine Validity of Proxy

Unless prohibited by applicable law, the chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Article 10 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

PART 11 – DIRECTORS

11.1 First directors; number of directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 12.7, is set at:

(a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of the Company's first directors;

(b) if the Company is a public company, the greater of three and the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given); and

(c) if the Company is not a public company, the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given).

11.2 Change in number of directors

If the number of directors is set under Articles 11.1(b) or 11.1(c):

(a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;

(b) if, contemporaneously with setting that number, the shareholders do not elect or appoint the directors needed to fill vacancies in the board of directors up to that number, then the

directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

11.3 Directors' acts valid despite vacancy

An act or proceeding of the directors is not invalid merely because fewer directors have been appointed or elected than the number of directors set or otherwise required under these Articles.

11.4 Qualifications of directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

11.5 Remuneration of directors

The directors are entitled to the remuneration, if any, for acting as directors as the directors may from time to time determine. If the directors so decide, the remuneration of the directors will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to a director in such director's capacity as an officer or employee of the Company.

11.6 Reimbursement of expenses of directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

11.7 Special remuneration for directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

11.8 Gratuity, pension or allowance on retirement of director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

PART 12 – ELECTION AND REMOVAL OF DIRECTORS

12.1 Election at annual general meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 7.2:

(a) the shareholders entitled to vote at the annual general meeting for the election of directors may elect, or in the unanimous resolution appoint, a board of directors consisting of up to the number of directors for the time being set under these Articles; and

(b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment.

12.2 Consent to be a director

No election, appointment or designation of an individual as a director is valid unless:

(a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;

(b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or

(c) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

12.3 Failure to elect or appoint directors

If:

(a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 7.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

(b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 7.2, to elect or appoint any directors;

then each director in office at such time continues to hold office until the earlier of:

(c) the date on which his or her successor is elected or appointed; and

(d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

12.4 Directors may fill casual vacancies

Any casual vacancy occurring in the board of directors may be filled by the remaining directors.

12.5 Remaining directors' power to act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or for the purpose of summoning a meeting of shareholders to fill any vacancies on the board of directors or for any other purpose permitted by the *Business Corporations Act*.

12.6 Shareholders may fill vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, and the directors have not filled the vacancies pursuant to Article 12.5 above, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

12.7 Additional directors

Notwithstanding Articles 11.1 and 11.2, between annual general meetings or unanimous resolutions contemplated by Article 7.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 12.7 must not at any time exceed:

(a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 12.7.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 12.1(a), but is eligible for re-election or re-appointment.

12.8 Ceasing to be a director

A director ceases to be a director when:

(a) the term of office of the director expires;

(b) the director dies;

(c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or

(d) the director is removed from office pursuant to Articles 12.9 or 12.10.

12.9 Removal of director by shareholders

The Shareholders may, by special resolution, remove any director before the expiration of his or her term of office, and may, by ordinary resolution, elect or appoint a director to fill the resulting vacancy. If the shareholders do not contemporaneously elect or appoint a director to fill the vacancy created by the removal of a director, then the directors may appoint, or the shareholders may elect or appoint by ordinary resolution, a director to fill that vacancy.

12.10 Removal of director by directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

12.11 Nominations of directors

(a) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company.

(b) Nominations of persons for election to the board may be made at any annual meeting of shareholders or at any special meeting of shareholders (if one of the purposes for which the special meeting was called was the election of directors):

(i) by or at the direction of the board, including pursuant to a notice of meeting,

(ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act*, or

(iii) by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 12.11 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 12.11.

(c) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof (as provided for in Article 12.11(d)) in proper written form to the secretary of the Company at the principal executive offices of the Company.

(d) To be timely, a Nominating Shareholder's notice to the secretary of the Company must be given:

(i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date"**) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the tenth (10th) day after the Notice Date in respect of such meeting; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

(e) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Company must set forth:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person during the past five years; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (D) a statement as to whether such person would be "independent" of the Company (as such term is defined under Applicable Securities Laws (as defined below)) if elected as a director at such meeting and the reasons and basis for such determination; (E) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Nominating Shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting jointly or in concert therewith, on the one hand, and such nominee, and his or her respective associates, or others acting jointly or in concert therewith, on the other hand; and (F) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and

(ii) as to the Nominating Shareholder giving the notice: (A) any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating

Shareholder has a right to vote any shares of the Company; (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of the record by the Nominating Shareholder as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (C) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).

(f) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

(g) The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the provisions set forth in this Article 12.11 and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.

(h) For purposes of this Article 12.11:

(i) "**Affiliate**", when used to indicate a relationship with a person, means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;

(ii) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;

(iii) "**Associate**", when used to indicate a relationship with a specified person, means:

A. any corporation or trust of which such person beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding,

B. any partner of that person,

C. any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity,

D. a spouse of such specified person,

E. any person of either sex with whom such specified person is living in a conjugal relationship outside marriage, or

F. any relative of such specified person or of a person mentioned in clauses D or E of this definition if that relative has the same residence as the specified person;

(iv) "**Derivatives Contract**" means a contract between two parties (the "**Receiving Party**" and the "**Counterparty**") that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the "**Notional Securities**"), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

(v) "**owned beneficially**" or "**owns beneficially**" means, in connection with the ownership of shares in the capital of the Company by a person:

A. any such shares as to which such person or any of such person's Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,

B. any such shares as to which such person or any of such person's Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,

C. any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty's Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person's Affiliates or Associates is a Receiving Party; provided, however, that the number of shares that a person owns beneficially pursuant to this clause in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate, and

D. any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities, and

(vi) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

(i) Notwithstanding any other provision of this Article 12.11, notice given to the secretary of the Company pursuant to this Article 12.11 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid, provided that receipt of confirmation of such transmission has been received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

(j) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 12.11.

PART 13 – PROCEEDINGS OF DIRECTORS

13.1 Meetings of directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place and at the time that the board may by resolution from time to time determine.

13.2 Chair of meetings

Meetings of directors are to be chaired by:

(a) the chair of the board, if any;

(b) in the absence of the chair of the board, the president, if any, if the president is a director; or

(c) any other director chosen by the directors if:

(i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting,

(ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting, or

(iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

13.3 Voting at meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

13.4 Meetings by telephone or other communications medium

A director may participate in a meeting of the directors or of any committee of the directors in person, or by telephone or other communications medium, if all directors participating in the meeting are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 13.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner**.**

13.5 Who may call extraordinary meetings

A director may call a meeting of the board at any time. The secretary, if any, must on request of a director, call a meeting of the board.

13.6 Notice of extraordinary meetings

Subject to Articles 13.7 and 13.8, if a meeting of the board is called under Article 13.5, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors:

(a) by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose;

(b) by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose; or

(c) orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

13.7 When notice not required

It is not necessary to give notice of a meeting of the directors to a director if:

(a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed;

(b) the director has filed a waiver under Article 13.9; or

(c) the director attends such meeting.

13.8 Meeting valid despite failure to give notice

The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

13.9 Waiver of notice of meetings

Any director may file with the Company a notice waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal.

13.10 Effect of waiver

After a director files a waiver under Article 13.9 with respect to future meetings of the directors, and until that waiver is withdrawn, notice of any meeting of the directors need not be given to that director unless the director otherwise requires in writing to the Company.

13.11 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

13.12 If only one director

If, in accordance with Article 11.1, the number of directors is one, the quorum necessary for the transaction of the business of the directors is one director, and that director may constitute a meeting.

PART 14 – COMMITTEES OF DIRECTORS

14.1 Appointment of committees

The directors may, by resolution:

(a) appoint one or more committees consisting of the director or directors that they consider appropriate;

(b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:

(i) the power to fill vacancies in the board,

(ii) the power to change the membership of, or fill vacancies in, any committee of the board, and

(iii) the power to appoint or remove officers appointed by the board; and

(c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

14.2 Obligations of committee

Any committee formed under Article 14.1, in the exercise of the powers delegated to it, must:

(a) conform to any rules that may from time to time be imposed on it by the directors; and

(b) report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

14.3 Powers of board

The board may, at any time:

(a) revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding;

(b) terminate the appointment of, or change the membership of, a committee; and

(c) fill vacancies in a committee.

14.4 Committee meetings

Subject to Article 14.2(a):

(a) the members of a directors' committee may meet and adjourn as they think proper;

(b) a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after

the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

(c) a majority of the members of a directors' committee constitutes a quorum of the committee; and

(d) questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

PART 15 – OFFICERS

15.1 Appointment of officers

The board may, from time to time, appoint a president, secretary or any other officers that it considers necessary or desirable, and none of the individuals appointed as officers need be a member of the board.

15.2 Functions, duties and powers of officers

The board may, for each officer:

(a) determine the functions and duties the officer is to perform;

(b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and

(c) from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

15.3 Remuneration

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board.

PART 16 – CERTAIN PERMITTED ACTIVITIES OF DIRECTORS

16.1 Other office of director

A director may hold any office or place of profit with the Company (other than the office of auditor of the Company) in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

16.2 No disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise.

16.3 Professional services by director or officer

Subject to compliance with the provisions of the *Business Corporations Act*, a director or officer of the Company, or any corporation or firm in which that individual has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such corporation or firm is entitled to remuneration for professional services as if that individual were not a director or officer.

16.4 Remuneration and benefits received from certain entities

A director or officer may be or become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested as a shareholder or otherwise, and, subject to compliance with the provisions of the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation, firm or entity.

PART 17 – INDEMNIFICATION

17.1 Indemnification of directors

The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted by Division 5 of Part 5 of the *Business Corporations Act*.

17.2 Deemed contract

Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in Article 17.1.

PART 18 – AUDITOR

18.1 Remuneration of an auditor

The directors may set the remuneration of the auditor of the Company without the prior approval of the shareholders.

18.2 Waiver of appointment of an auditor

The Company shall not be required to appoint an auditor if all of the shareholders of the Company, whether or not their shares otherwise carry the right to vote, resolve by a unanimous resolution to waive the appointment of an auditor. Such waiver may be given before, on or after the date on which an auditor is required to be appointed under the *Business Corporations Act*, and is effective for one financial year only.

PART 19 – DIVIDENDS

19.1 Declaration of dividends

Subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

19.2 No notice required

The directors need not give notice to any shareholder of any declaration under Article 19.1.

19.3 Directors may determine when dividend payable

Any dividend declared by the directors may be made payable on such date as is fixed by the directors.

19.4 Dividends to be paid in accordance with number of shares

Subject to the rights of shareholders, if any, holding shares with special rights as to dividends, all dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

19.5 Manner of paying dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of paid up shares or fractional shares, bonds, debentures or other debt obligations of the Company, or in any one or more of those ways, and, if any difficulty arises in regard to the distribution, the directors may settle the difficulty as they consider expedient, and, in particular, may set the value for distribution of specific assets.

19.6 Dividend bears no interest

No dividend bears interest against the Company.

19.7 Fractional dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

19.8 Payment of dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed:

(a) subject to paragraphs (b) and (c), to the address of the shareholder;

(b) subject to paragraph (c), in the case of joint shareholders, to the address of the joint shareholder whose name stands first on the central securities register in respect of the shares; or

(c) to the person and to the address as the shareholder or joint shareholders may direct in writing.

19.9 Receipt by joint shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

PART 20 – ACCOUNTING RECORDS

20.1 Recording of financial affairs

The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

PART 21 – EXECUTION OF INSTRUMENTS

21.1 Who may attest seal

The Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of:

(a) any two (2) directors;

(b) any officer, together with any director;

(c) if the Company has only one director, that director; or

(d) any one or more directors or officers or persons as may be determined by resolution of the directors.

21.2 Sealing copies

For the purpose of certifying under seal a true copy of any resolution or other document, the seal must be impressed on that copy and, despite Article 21.1, may be attested by the signature of any director or officer.

21.3 Execution of documents not under seal

Any instrument, document or agreement for which the seal need not be affixed may be executed for and on behalf of and in the name of the Company by any one director or officer of the Company, or by any other person appointed by the directors for such purpose.

PART 22 – NOTICES

22.1 Method of giving notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

(a) mail addressed to the person at the applicable address for that person as follows:

(i) for a record mailed to a shareholder, the shareholder's registered address,

(ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class, or

(iii) in any other case, the mailing address of the intended recipient;

(b) delivery at the applicable address for that person as follows, addressed to the person:

(i) for a record delivered to a shareholder, the shareholder's registered address,

(ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class,

(iii) in any other case, the delivery address of the intended recipient;

(c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

(d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;

(e) physical delivery to the intended recipient; or

(f) such other manner of delivery as is permitted by applicable legislation governing electronic delivery.

22.2 Deemed receipt of mailing

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 22.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

22.3 Certificate of sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 22.1, prepaid and mailed or otherwise sent as permitted by Article 22.1 is conclusive evidence of that fact.

22.4 Notice to joint shareholders

A notice, statement, report or other record may be provided by the Company to the joint registered shareholders of a share by providing the notice to the joint registered shareholder first named in the central securities register in respect of the share.

22.5 Notice to trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

(a) mailing the record, addressed to them:

(i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description, and

(ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

(b) if an address referred to in Article 22.5(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

PART 23 – RESTRICTION ON SHARE TRANSFER

23.1 Application

Article 23.2 does not apply to the Company if and for so long as it is a public company.

23.2 Consent required for transfer

No shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

PART 24 - SPECIAL RIGHTS AND RESTRICTIONS

24.1 Preferred shares issuable in series

The Preferred shares may include one or more series and, subject to the *Business Corporations Act*, the directors may, by resolution, if none of the shares of that particular series are issued, alter the Articles of the Company and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of the following:

(a) create a series of shares;

(b) create an identifying name for the shares of that series, or alter any such identifying name;

(c) determine the maximum number of shares of that series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination; and

(d) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions.

Full Name and Signature of Director	Date of Signing
BRUCE DAWSON-SCULLY	♦ ____, 2021

SCHEDULE "M"

EARN-OUT PREFERRED SHARE PROVISIONS

Schedule "A"

Part 24 - Special Rights and Restrictions

24.1 Definitions

(a) "**Common Shares**" means the common shares in the capital of the Company; and

(b) "**Preferred Shares**" means the Preferred shares in the capital of the Company, issuable in series.

24.2 Common Shares

(a) General. The voting, dividend and liquidation rights of the holders of Common Shares are subject to and qualified by the rights, powers and preferences of the holders of Preferred Shares.

(b) Voting. The holders of Common Shares are entitled to one vote for each Common Share held at all meetings of shareholders (and written actions in lieu of meetings).

(c) Dividends. The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares of the Company, to receive dividends if, as and when declared by the board of directors of the Company.

(d) Liquidation, Dissolution or Winding-Up. The holders of the Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares of the Company, to receive the remaining property of the Company on a liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

24.3 Preferred shares issuable in series

The Preferred shares may include one or more series and, subject to the *Business Corporations Act*, the directors may, by resolution, if none of the shares of that particular series are issued, alter the Articles of the Company and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of the following:

(a) create a series of the shares;

(b) create an identifying name for the shares of that series, or alter any such identifying name;

(c) determine the maximum number of shares of that series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination; and

(d) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions.

24.4 Series A Earn-Out Non-Voting, Redeemable, Convertible Preferred Shares ("Series A Shares")

(a) Designation. There shall be a series of Preferred Shares that shall be designated as "Series A Earn-Out Non-Voting, Redeemable, Convertible Preferred Shares " (the "**Series A Shares**") consisting of an unlimited number of shares. The rights, privileges, restrictions and conditions of the Series A Shares shall be as set forth herein.

(b) Defined Terms. The terms defined within the Series A Shares shall have the meaning specified and the following terms shall have the meanings indicated:

"**Acquisition Agreement**" means the Acquisition Agreement dated September 19, 2021 between the Company, Embark Health Inc., 1323977 B.C. Ltd., Bruce Dawson-Scully and the Vendors specified therein, as amended and restated from time to time and filed on SEDAR.

"**Conversion Rate**" means the number of Common Shares issuable upon the conversion of each Series A Share, calculated by dividing the Redemption Price by the VWAP Amount.

"**Earn-Out Amount**" the amount calculated for the Embark financial year ended 2022, calculated in accordance with Section 2.03(a) of the Acquisition Agreement.

"**Earn-Out Calculation Objection Notice**" means a notice, if any, delivered in accordance with Section 2.03(b) of the Acquisition Agreement.

"**Earn-Out Determination Date**" means the date upon which the determination of the Earn-Out Amount for the Embark financial year ended 2022 becomes final and binding in accordance with Section 2.03(b)(ii)] of the Acquisition Agreement (including any final resolution of any dispute raised in an Earn-Out Calculation Objection Notice).

"**Earn-Out Payment Date**" means a date not later than 20 Business Days following the Earn-Out Determination Date.

"**Embark**" means Embark Health Inc., the company formed by the amalgamation completed pursuant to the terms and conditions of the Acquisition Agreement.

"**Exchange**" means the Canadian Securities Exchange or such other stock exchange on which the Common Shares shall be listed.

"**Redemption Price**" means an amount equal to the quotient obtained by dividing the Earn-Out Amount by the number of Series A Shares issued and outstanding on the Earn-Out Payment Date.

"**VWAP Amount**" means the price per Common Share based on the volume weighted average trading price of the Common Shares on the Exchange, calculated by dividing the total value by the total volume of Common Shares traded on the Exchange for the five trading days immediately preceding the Earn-Out Determination Date.

(c) Voting. Holders of Series A Shares shall not be entitled to vote with respect to any and all matters presented to the shareholders of the Company for their action or consideration (whether at a meeting of shareholders of the Company, by written resolution of shareholders in lieu of a meeting or otherwise), except as provided by law.

(d) Dividends. Holders of Series A Shares shall not be entitled to receive dividends.

(e) Liquidation, Dissolution or Winding Up. Holders of Series A Shares shall not be entitled to receive any of the remaining property of the Company on a liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

(f) Earn-Out Notice.

(i) Earn-Out Notice. Not later than three days following the Earn-Out Determination Date, the Company shall deliver a notice to all holders of record of Series A Shares (the "**Earn-Out Notice**") specifying the Earn-Out Amount and the Earn-Out Payment Date. If the Earn-Out Amount is a positive number, then the Company shall specify in the Earn-Out Notice whether the Earn-Out Amount will be settled by way of conversion of the Series A Shares into Common Shares, by redemption of the Series A Shares, or a combination of conversion and redemption. Any conversion or redemption shall be conducted in accordance with Sections (g) and (i), respectively.

(ii) Earn-Out Cancellation. If the Earn-Out Amount specified in the Earn-Out Notice is zero or a negative number, then on the Earn-Out Payment Date the Company shall cancel all Series A Shares for no consideration.

(g) Conversion Procedure. On the Earn-Out Payment Date (I) any outstanding Series A Shares specified for conversion in the Earn-Out Notice shall be converted into Common Shares, at the Conversion Rate, and (II) such shares may not be reissued by the Company. The Earn-Out Notice shall specify the place designated for mandatory conversion, if applicable. Upon receipt of such notice, each holder of Series A Shares in certificated form shall surrender his, her or its certificate or certificates for all Series A Shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such certificate) to the Company at the place designated in the notice. If so required by the Company, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Company, duly signed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series A Shares converted hereunder will terminate on the Earn-Out Payment Date (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or before such time), except only the rights of the holders of Series A Shares, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section. As soon as practicable after the Earn-Out Payment Date and, if applicable, the surrender of any certificate or certificates (or lost certificate

affidavit and agreement) for Series A Shares, the Company shall issue and deliver to their holder, or to his, her or its nominees, a certificate or certificates for the number of full Common Shares issuable on conversion in accordance with these provisions. The converted Series A Shares shall be retired and cancelled and may not be reissued as shares of such class, and the Company may thereafter take such appropriate action (without the need for shareholder action) as may be necessary to reduce the authorized number of Series A Shares accordingly.

(h) Fractional Shares. No fractional Common Shares shall be issued upon conversion of the Series A Shares. In lieu of any fractional shares to which the holder would otherwise be entitled, the number of Common Shares to be issued upon conversion of the Series A Shares shall be rounded down to the next whole share.

(i) Redemption Procedure.

(i) Pursuant to the details specified in the Earn-Out Notice, the Company shall have the right to elect to redeem, out of funds legally available therefor, all or any portion of the then outstanding Series A Shares held by the holder of the Series A Shares (a "**Redemption**") for a price per Series A Share equal to the Redemption Price. Any such Redemption shall occur not more than 20 days following delivery of the Earn-Out Notice (the "**Redemption Date**") and the manner and place designated for surrender by the holder to the Company of its certificate or certificates representing the Series A Shares to be redeemed. Upon receipt of the Earn-Out Notice specifying a Redemption, the holder of Series A Shares shall be deemed to have elected to have that number of their Series A Shares so specified redeemed under this Section (i) and such election shall bind such holder of Series Shares.

(ii) On or before the Redemption Date, the holder of the Series A Shares shall surrender the certificate or certificates representing such Series A Shares to the Company, in the manner and place designated in the Earn-Out Notice, duly assigned or endorsed for transfer to the Company (or accompanied by duly executed share transfers relating thereto). Each surrendered certificate shall be cancelled, and the Company shall thereafter make payment of the applicable Redemption Price by certified cheque, bank draft or wire transfer to the registered holder of such certificate; *provided that*, if less than all the Series A Shares represented by a surrendered certificate are redeemed, then the balance of such Series A Shares shall be converted in accordance with Section (g).

(iii) If on the Redemption Date, the Redemption Price is paid (or tendered for payment) for any of the Series A Shares to be redeemed on such Redemption Date, then on such date all rights of the holder in the Series A Shares so redeemed and paid or tendered shall cease and such Series A Shares shall no longer be deemed issued and outstanding.

(j) Acceleration. Notwithstanding the foregoing, at any time the board of directors of the Company may, in its sole discretion, declare an acceleration of the Earn-Out Determination Date by delivering a notice to all holders of record of Series A Shares (the

"**Accelerated Earn-Out Notice**") in accordance with Section (f)(i), specifying (i) that the Earn-Out Amount is $2,761,104 (the "**Accelerated Earn-Out Amount**") (ii) the Earn-Out Payment Date, and (iii) whether the Accelerated Earn-Out Amount will be settled by way of conversion of the Series A Shares, by redemption of the Series A Shares, or a combination of conversion and redemption. Any conversion or redemption shall be conducted in accordance with Sections (g) and (i), respectively, *mutatis mutandi*s.

(k) Communications. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (i) when delivered by hand (with written confirmation of receipt); (ii) when received by the addressee, if sent by a nationally recognized overnight courier (receipt requested); (iii) on the date sent by facsimile or email of a PDF document (with confirmation of transmission), if sent during normal business hours of the recipient and on the next business day if sent after normal business hours of the recipient; or (iv) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent (i) to the Company, at its principal executive offices and (ii) to any shareholder, at such holder's address as it appears in the securities register of the Company (or at such other address for a shareholder as shall be specified in a notice given in accordance with this Section).

24.5 Series B Earn-Out Non-Voting, Redeemable, Convertible Preferred Shares ("Series B Shares")

(a) Designation. There shall be a series of Preferred Shares that shall be designated as "Series B Earn-Out Non-Voting, Redeemable, Convertible Preferred Shares " (the "**Series B Shares**") consisting of an unlimited number of shares. The rights, privileges, restrictions and conditions of the Series B Shares shall be as set forth herein.

(b) Defined Terms. The terms defined within the Series B Shares shall have the meaning specified and the following terms shall have the meanings indicated:

"**Acquisition Agreement**" means the Acquisition Agreement dated September 19, 2021 between the Company, Embark Health Inc., 1323977 B.C. Ltd., Bruce Dawson-Scully and the Vendors specified therein, as amended and restated from time to time and filed on SEDAR.

"**Conversion Rate**" means the number of Common Shares issuable upon the conversion of each Series A Share, calculated by dividing the Redemption Prcie by the VWAP Amount.

"**Earn-Out Amount**" the amount calculated for the Embark financial year ended 2023, calculated in accordance with Section 2.03(a) of the Acquisition Agreement.

"**Earn-Out Calculation Objection Notice**" means a notice, if any, delivered in accordance with Section 2.03(b) of the Acquisition Agreement.

"**Earn-Out Determination Date**" means the date upon which the determination of the Earn-Out Amount for the Embark financial year ended 2023 becomes final and binding

in accordance with Section 2.03(b)(ii)] of the Acquisition Agreement (including any final resolution of any dispute raised in an Earn-Out Calculation Objection Notice).

"**Earn-Out Payment Date**" means a date not later than 20 Business Days following the Earn-Out Determination Date.

"**Embark**" means Embark Health Inc., the company formed by the amalgamation completed pursuant to the terms and conditions of the Acquisition Agreement.

"**Exchange**" means the Canadian Securities Exchange or such other stock exchange on which the Common Shares shall be listed.

"**Redemption Price**" means an amount equal to the quotient obtained by dividing the Earn-Out Amount by the number of Series A Shares issued and outstanding on the Earn-Out Payment Date.

"**VWAP Amount**" means the price per Common Share based on the volume weighted average trading price of the Common Shares on the Exchange, calculated by dividing the total value by the total volume of Common Shares traded on the Exchange for the five trading days immediately preceding the Earn-Out Determination Date.

(c) Voting. Holders of Series B Shares shall not be entitled to vote with respect to any and all matters presented to the shareholders of the Company for their action or consideration (whether at a meeting of shareholders of the Company, by written resolution of shareholders in lieu of a meeting or otherwise), except as provided by law.

(d) Dividends. Holders of Series B Shares shall not be entitled to receive dividends.

(e) Liquidation, Dissolution or Winding Up. Holders of Series B Shares shall not be entitled to receive any of the remaining property of the Company on a liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

(f) Earn-Out Notice.

(i) Earn-Out Notice. Not later than three days following the Earn-Out Determination Date, the Company shall deliver a notice to all holders of record of Series A Shares (the "**Earn-Out Notice**") specifying the Earn-Out Amount and the Earn-Out Payment Date. If the Earn-Out Amount is a positive number, then the Company shall specify in the Earn-Out Notice whether the Earn-Out Amount will be settled by way of conversion of the Series B Shares into Common Shares, by redemption of the Series B Shares, or a combination of conversion and redemption. Any conversion or redemption shall be conducted in accordance with Sections (g) and (i), respectively.

(ii) Earn-Out Cancellation. If the Earn-Out Amount specified in the Earn-Out Notice is zero or a negative number, then on the Earn-Out Payment Date the Company shall cancel all Series B Shares for no consideration.

(g) Conversion Procedure. On the Earn-Out Payment Date (I) any outstanding Series B Shares specified for conversion in the Earn-Out Notice shall be converted into Common Shares, at the Conversion Rate, and (II) such shares may not be reissued by the Company. The Earn-Out Notice shall specify the place designated for mandatory conversion, if applicable. Upon receipt of such notice, each holder of Series B Shares in certificated form shall surrender his, her or its certificate or certificates for all Series B Shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such certificate) to the Company at the place designated in the notice. If so required by the Company, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Company, duly signed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series B Shares converted hereunder will terminate on the Earn-Out Payment Date (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or before such time), except only the rights of the holders of Series B Shares, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section. As soon as practicable after the Earn-Out Payment Date and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Series B Shares, the Company shall issue and deliver to their holder, or to his, her or its nominees, a certificate or certificates for the number of full Common Shares issuable on conversion in accordance with these provisions. The converted Series B Shares shall be retired and cancelled and may not be reissued as shares of such class, and the Company may thereafter take such appropriate action (without the need for shareholder action) as may be necessary to reduce the authorized number of Series A Shares accordingly.

(h) Fractional Shares. No fractional Common Shares shall be issued upon conversion of the Series B Shares. In lieu of any fractional shares to which the holder would otherwise be entitled, the number of Common Shares to be issued upon conversion of the Series B Shares shall be rounded down to the next whole share.

(i) Redemption Procedure.

(i) Pursuant to the details specified in the Earn-Out Notice, the Company shall have the right to elect to redeem, out of funds legally available therefor, all or any portion of the then outstanding Series A Shares held by the holder of the Series B Shares (a "**Redemption**") for a price per Series B Share equal to the Redemption Price. Any such Redemption shall occur not more than 20 days following delivery of the Earn-Out Notice (the "**Redemption Date**") and the manner and place designated for surrender by the holder to the Company of its certificate or certificates representing the Series B Shares to be redeemed. Upon receipt of the Earn-Out Notice specifying a Redemption, the holder of Series B Shares shall be deemed to have elected to have that number of their Series B Shares so specified redeemed under this Section (i) and such election shall bind such holder of Series Shares.

(ii) On or before the Redemption Date, the holder of the Series B Shares shall surrender the certificate or certificates representing such Series B Shares to the Company, in the manner and place designated in the Earn-Out Notice, duly assigned or endorsed for transfer to the Company (or accompanied by duly executed share transfers relating thereto). Each surrendered certificate shall be cancelled, and the Company shall thereafter make payment of the applicable Redemption Price by certified cheque, bank draft or wire transfer to the registered holder of such certificate; *provided that*, if less than all the Series A Shares represented by a surrendered certificate are redeemed, then the balance of such Series B Shares shall be converted in accordance with Section (g).

(iii) If on the Redemption Date, the Redemption Price is paid (or tendered for payment) for any of the Series B Shares to be redeemed on such Redemption Date, then on such date all rights of the holder in the Series B Shares so redeemed and paid or tendered shall cease and such Series B Shares shall no longer be deemed issued and outstanding.

(j) Acceleration. Notwithstanding the foregoing, at any time the board of directors of the Company may, in its sole discretion, declare an acceleration of the Earn-Out Determination Date by delivering a notice to all holders of record of Series A Shares (the "**Accelerated Earn-Out Notice**") in accordance with Section (f)(i), specifying (i) that the Earn-Out Amount is $3,220,069 (the "**Accelerated Earn-Out Amount**") (ii) the Earn-Out Payment Date, and (iii) whether the Accelerated Earn-Out Amount will be settled by way of conversion of the Series A Shares, by redemption of the Series A Shares, or a combination of conversion and redemption. Any conversion or redemption shall be conducted in accordance with Sections (g) and (i), respectively, *mutatis mutandi*s.

(k) Communications. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (i) when delivered by hand (with written confirmation of receipt); (ii) when received by the addressee, if sent by a nationally recognized overnight courier (receipt requested); (iii) on the date sent by facsimile or email of a PDF document (with confirmation of transmission), if sent during normal business hours of the recipient and on the next business day if sent after normal business hours of the recipient; or (iv) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent (i) to the Company, at its principal executive offices and (ii) to any shareholder, at such holder's address as it appears in the securities register of the Company (or at such other address for a shareholder as shall be specified in a notice given in accordance with this Section).

24.6 Series C Earn-Out Non-Voting, Redeemable, Convertible Preferred Shares ("Series C Shares")

(a) Designation. There shall be a series of Preferred Shares that shall be designated as "Series C Earn-Out Non-Voting, Redeemable, Convertible Preferred Shares " (the "**Series C Shares**") consisting of an unlimited number of shares. The rights, privileges, restrictions and conditions of the Series C Shares shall be as set forth herein.

(b) Defined Terms. The terms defined within the Series C Shares shall have the meaning specified and the following terms shall have the meanings indicated:

"**Acquisition Agreement**" means the Acquisition Agreement dated September 19, 2021 between the Company, Embark Health Inc., 1323977 B.C. Ltd., Bruce Dawson-Scully and the Vendors specified therein, as amended and restated from time to time and filed on SEDAR.

"**Conversion Rate**" means the number of Common Shares issuable upon the conversion of each Series C Share, calculated by dividing the Redemption Price by the VWAP Amount.

"**Earn-Out Amount**" the amount calculated for the Embark financial year ended 2024, calculated in accordance with Section 2.03(a) of the Acquisition Agreement.

"**Earn-Out Calculation Objection Notice**" means a notice, if any, delivered in accordance with Section 2.03(b) of the Acquisition Agreement.

"**Earn-Out Determination Date**" means the date upon which the determination of the Earn-Out Amount for the Embark financial year ended 2024 becomes final and binding in accordance with Section 2.03(b)(ii)] of the Acquisition Agreement (including any final resolution of any dispute raised in an Earn-Out Calculation Objection Notice).

"**Earn-Out Payment Date**" means a date not later than 20 Business Days following the Earn-Out Determination Date.

"**Embark**" means Embark Health Inc., the company formed by the amalgamation completed pursuant to the terms and conditions of the Acquisition Agreement.

"**Exchange**" means the Canadian Securities Exchange or such other stock exchange on which the Common Shares shall be listed.

"**Redemption Price**" means an amount equal to the quotient obtained by dividing the Earn-Out Amount by the number of Series A Shares issued and outstanding on the Earn-Out Payment Date.

"**VWAP Amount**" means the price per Common Share based on the volume weighted average trading price of the Common Shares on the Exchange, calculated by dividing the total value by the total volume of Common Shares traded on the Exchange for the five trading days immediately preceding the Earn-Out Determination Date.

(c) Voting. Holders of Series C Shares shall not be entitled to vote with respect to any and all matters presented to the shareholders of the Company for their action or consideration (whether at a meeting of shareholders of the Company, by written resolution of shareholders in lieu of a meeting or otherwise), except as provided by law.

(d) Dividends. Holders of Series C Shares shall not be entitled to receive dividends.

(e) Liquidation, Dissolution or Winding Up. Holders of Series C Shares shall not be entitled to receive any o the remaining property of the Company on a liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

(f) Earn-Out Notice.

(i) Earn-Out Notice. Not later than three days following the Earn-Out Determination Date, the Company shall deliver a notice to all holders of record of Series C Shares (the "**Earn-Out Notice**") specifying the Earn-Out Amount and the Earn-Out Payment Date. If the Earn-Out Amount is a positive number, then the Company shall specify in the Earn-Out Notice whether the Earn-Out Amount will be settled by way of conversion of the Series C Shares into Common Shares, by redemption of the Series A Shares, or a combination of conversion and redemption. Any conversion or redemption shall be conducted in accordance with Sections (g) and (i), respectively.

(ii) Earn-Out Cancellation. If the Earn-Out Amount specified in the Earn-Out Notice is zero or a negative number, then on the Earn-Out Payment Date the Company shall cancel all Series C Shares for no consideration.

(g) Conversion Procedure. On the Earn-Out Payment Date (I) any outstanding Series C Shares specified for conversion in the Earn-Out Notice shall be converted into Common Shares, at the Conversion Rate, and (II) such shares may not be reissued by the Company. The Earn-Out Notice shall specify the place designated for mandatory conversion, if applicable. Upon receipt of such notice, each holder of Series C Shares in certificated form shall surrender his, her or its certificate or certificates for all Series C Shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such certificate) to the Company at the place designated in the notice. If so required by the Company, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Company, duly signed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series C Shares converted hereunder will terminate on the Earn-Out Payment Date (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or before such time), except only the rights of the holders of Series C Shares, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section. As soon as practicable after the Earn-Out Payment Date and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Series C Shares, the Company shall issue and deliver to their holder, or to his, her or its nominees, a certificate or certificates for the number of full Common Shares issuable on conversion in accordance with these provisions. The converted Series C Shares shall be retired and cancelled and may not be reissued as shares of such class, and the Company may thereafter take such appropriate action (without the need for shareholder action) as may be necessary to reduce the authorized number of Series C Shares accordingly.

(h) Fractional Shares. No fractional Common Shares shall be issued upon conversion of the Series C Shares. In lieu of any fractional shares to which the holder would otherwise be entitled, the number of Common Shares to be issued upon conversion of the Series C Shares shall be rounded down to the next whole share.

(i) Redemption Procedure.

(i) Pursuant to the details specified in the Earn-Out Notice, the Company shall have the right to elect to redeem, out of funds legally available therefor, all or any portion of the then outstanding Series C Shares held by the holder of the Series C Shares (a "**Redemption**") for a price per Series C Share equal to the Redemption Price. Any such Redemption shall occur not more than 20 days following delivery of the Earn-Out Notice (the "**Redemption Date**") and the manner and place designated for surrender by the holder to the Company of its certificate or certificates representing the Series C Shares to be redeemed. Upon receipt of the Earn-Out Notice specifying a Redemption, the holder of Series C Shares shall be deemed to have elected to have that number of their Series C Shares so specified redeemed under this Section (i) and such election shall bind such holder of Series Shares.

(ii) On or before the Redemption Date, the holder of the Series C Shares shall surrender the certificate or certificates representing such Series C Shares to the Company, in the manner and place designated in the Earn-Out Notice, duly assigned or endorsed for transfer to the Company (or accompanied by duly executed share transfers relating thereto). Each surrendered certificate shall be cancelled, and the Company shall thereafter make payment of the applicable Redemption Price by certified cheque, bank draft or wire transfer to the registered holder of such certificate; *provided that*, if less than all the Series A Shares represented by a surrendered certificate are redeemed, then the balance of such Series A Shares shall be converted in accordance with Section (g).

(iii) If on the Redemption Date, the Redemption Price is paid (or tendered for payment) for any of the Series C Shares to be redeemed on such Redemption Date, then on such date all rights of the holder in the Series C Shares so redeemed and paid or tendered shall cease and such Series C Shares shall no longer be deemed issued and outstanding.

(j) Acceleration. Notwithstanding the foregoing, at any time the board of directors of the Company may, in its sole discretion, declare an acceleration of the Earn-Out Determination Date by delivering a notice to all holders of record of Series A Shares (the "**Accelerated Earn-Out Notice**") in accordance with Section (f)(i), specifying (i) that the Earn-Out Amount is $3,218,269 (the "**Accelerated Earn-Out Amount**") (ii) the Earn-Out Payment Date, and (iii) whether the Accelerated Earn-Out Amount will be settled by way of conversion of the Series A Shares, by redemption of the Series A Shares, or a combination of conversion and redemption. Any conversion or redemption shall be conducted in accordance with Sections (g) and (i), respectively, *mutatis mutandi*s.

(k) Communications. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (i) when delivered by hand (with written confirmation of receipt); (ii) when received by the addressee, if sent by a nationally recognized overnight courier (receipt requested); (iii) on the date sent by facsimile or email of a PDF document (with confirmation of transmission), if sent during normal business hours of the recipient and on the next business day if sent after normal business hours of the recipient; or (iv) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent (i) to the Company, at its principal executive offices and (ii) to any shareholder, at such holder's address as it appears in the securities register of the Company (or at such other address for a shareholder as shall be specified in a notice given in accordance with this Section).

SCHEDULE "N"

VOTING SUPPORT AGREEMENT

Voting Agreement

This Voting Agreement (this "**Agreement**"), dated as of September ___,2021 is entered into between the undersigned shareholder ("**Shareholder**") of Embark Health Inc., a corporation incorporated under the *Business Corporations Act* (Canada) ("**Company**") and BevCanna Enterprises Inc., a corporation incorporated under the *Business Corporations Act* (British Columbia) ("**Buyer**");

WHEREAS the Buyer intends to acquire all of the outstanding common shares of the Company ("**Company Shares**") on the terms and subject to the conditions set forth in the acquisition agreement (the "**Acquisition Agreement**") among the Company, the Buyer, 1323977 B.C. LTD., a wholly owned subsidiary of Embark ("**SubCo**"), Bruce Dawson-Scully, in his presence as shareholder representative and not in his/her personal capacity, and the Vendors;

WHEREAS the Shareholder is the registered and/or direct or indirect beneficial owner of, or exercises control or direction over: (i) the Company Shares (such Company Shares, together with any Company Shares acquired by the Shareholder during the term of this Agreement, being referred to in this Agreement as the "**Subject Shares**") and (ii) the other securities ("**Subject Securities**") of the Company as set forth below the Shareholder's signature on the signature page of this Agreement; and

WHEREAS as a condition to the willingness of the Buyer to enter into the Acquisition Agreement and incur the obligations set forth in the Acquisition Agreement, the Buyer has required that the Shareholder enter into this Agreement.

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

1. **Definitions and Interpretive Provisions.**

In this Agreement:

(a) all terms used and not defined herein that are defined in the Acquisition Agreement shall have the respective meanings given to them in the Acquisition Agreement;

(b) the division of this Agreement into Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement;

(c) any reference to gender includes all genders and words importing the singular number include the plural and vice versa;

(d) if the date on which any action is required to be taken by a party to this Agreement is not a Business Day in the place where the action is required to be taken,

such action shall be required to be taken on the next succeeding day which is a Business Day in such place;

(e) the words "including", "includes" and "include" mean "including (or includes or include) without limitation";

(f) the term "Agreement" and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it; and

(g) any reference to a particular statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended, consolidated, replaced or re-enacted.

2. Representations and Warranties of the Shareholder.

The Shareholder represents and warrants to the Buyer as follows as at the date of this Agreement and immediately prior to the time at which the Subject Shares are acquired pursuant to the Acquisition and acknowledges that the Buyer is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) **Organization and Authority and Capacity**. If the Shareholder is not an individual: (i) the Shareholder is a corporation or entity incorporated or organized, as applicable, and existing under the laws of its jurisdiction of incorporation or organization; (ii) the execution and delivery of this Agreement by the Shareholder and the consummation by it of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action and no other corporate proceedings on the part of the Shareholder are necessary to authorize this Agreement or the transactions contemplated by this Agreement; and (iii) the Shareholder has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. If the Shareholder is an individual, the Shareholder is of the age of majority and has the capacity to enter into and perform its obligations under this Agreement.

(b) **Execution and Binding Obligation**. This Agreement has been duly executed and delivered by the Shareholder and constitutes a legal, valid and binding agreement of the Shareholder enforceable against it in accordance with its terms subject only to any limitation on bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies, such as specific performance and injunction.

(c) **Non-Contravention**. The execution and delivery of this Agreement by the Shareholder, the performance of its obligations under this Agreement and the consummation of the transactions contemplated by this Agreement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) contravene, conflict with, or result in the violation of: (i) the articles, by-laws or other constating documents of the Shareholder (as applicable); (ii) any other agreement or instrument to which the Shareholder is a party or by which the Shareholder or any of the Shareholder's property or assets is bound; and (iii) any applicable laws.

(d) **Ownership of Subject Shares and Subject Securities**. The Shareholder is the legal and beneficial owner of, or the beneficial owner exercising control or direction over, all of the Subject Shares and the Subject Securities, free and clear of any Liens. The Subject Shares and the Subject Securities are the only securities of the Company owned, directly or indirectly, or over which control or direction is exercised by the Shareholder. The Shareholder has sole dispositive power and the sole power to agree to the matters set forth in this Agreement with respect to the Subject Shares and the Subject Securities. None of the Subject Shares is subject to any agreement, Acquisition or restriction with respect to the voting thereof, except as contemplated by this Agreement. Except for the Company's unanimous shareholders' agreement dated May 28, 2018 and for the Subject Securities, the Shareholder has no agreement or option or right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, for the purchase or acquisition or transfer to the Shareholder of additional securities of the Company. No Person has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual), capable of becoming an agreement or option for the purchase, acquisition or transfer from the Shareholder of any of the Subject Shares or the Subject Securities except pursuant to this Agreement and, in the case of the Subject Securities, as expressly provided in the terms of the Company's plans governing such securities.

(e) **Litigation**. There is no claim, action, lawsuit, arbitration, mediation or other Proceeding in progress, pending or ongoing, or, to the knowledge of the Shareholder, threatened against or affecting the Shareholder that would reasonably be expected to have an adverse impact on the validity of this Agreement or any action taken or to be taken by the Shareholder in connection with this Agreement.

3. Representations and Warranties of the Buyer.

The Buyer represents and warrants to the Shareholder as follows as at the date of this Agreement and immediately prior to the time at which the Subject Shares are acquired pursuant to the Acquisition and acknowledges that the Shareholder is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) **Organization and Authority**. The Buyer is a corporation incorporated and existing under the laws of British Columbia and has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution and delivery of this Agreement by the Buyer and the consummation by it of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action and no other corporate proceedings on the part of the Buyer are necessary to authorize this Agreement or the transactions contemplated by this Agreement.

(b) **Execution and Binding Obligation**. This Agreement has been duly executed and delivered by the Buyer and constitutes a legal, valid and binding agreement of the Buyer enforceable against it in accordance with its terms subject only to any limitation on bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies, such as specific performance and injunction.

4. **Covenants of the Shareholder.**

The Shareholder covenants and agrees that during the period from the date of this Agreement until the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms, unless otherwise required or expressly permitted by this Agreement:

(a) **Agreement to Vote in Favour**. At any meeting of security holders of the Company called to vote upon the Acquisition (including the Embark Meeting) or any of the other transactions contemplated by the Acquisition Agreement or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval (including by written consent in lieu of a meeting) with respect to the Acquisition or any of the transactions contemplated by the Acquisition Agreement is sought, the Shareholder shall cause its Subject Shares and Subject Securities (which have a right to vote at such meeting) to be counted as present (in person or by proxy) for purposes of establishing quorum and shall vote (or cause to be voted) its Subject Shares and Subject Securities (which have a right to vote at such meeting): (i) in favour of the approval of the Acquisition and each of the other transactions contemplated by the Acquisition Agreement (including the Embark Resolution) and (ii) in favour of any other matter necessary for the consummation of the Acquisition or any other transaction contemplated by the Acquisition Agreement.

(b) **Agreement to Vote Against**. At any meeting of security holders of the Company (including the Embark Meeting) or at any adjournment or postponement thereof or in any other circumstance upon which a vote, consent or other approval of all or some of the security holders of the Company is sought (including by written consent in lieu of a meeting), the Shareholder shall cause its Subject Shares and Subject Securities (which have a right to vote at such meeting) to be counted as present (in person or by proxy)

for purposes of establishing quorum and shall vote (or cause to be voted) its Subject Shares and Subject Securities (which have a right to vote at such meeting) against: (i) any Acquisition Proposal other than the Acquisition and (ii) any action, proposal, transaction or agreement that could reasonably be expected to (A) result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company under the Acquisition Agreement or of the Shareholder under this Agreement or (B) impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Acquisition or the fulfillment of the Buyer's or the Company's conditions under the Acquisition Agreement or change in any manner the voting rights of any class of shares of the Company (including any amendments to the Company's articles or by-laws).

(c) **Restriction on Transfer**. The Shareholder agrees not to directly or indirectly: (i) sell, transfer, assign, gift-over, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber (each, a "**Transfer**"), or enter into any agreement, option or other Acquisition with respect to the Transfer of, any of its Subject Shares or Subject Securities to any Person other than pursuant to the Acquisition Agreement or (ii) grant any proxies or power of attorney, deposit any of its Subject Shares or Subject Securities into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to any of its Subject Shares or Subject Securities.

(d) **Additional Company Shares**. The Shareholder: (i) agrees promptly to notify the Buyer of any new Company Shares or Subject Securities acquired by the Shareholder after the execution of this Agreement and (ii) acknowledges that any such new Company Shares or Subject Securities will be subject to the terms of this Agreement as though owned by the Shareholder on the date of this Agreement.

(e) **Delivery of Proxy**. The Shareholder agrees that it will, on or before the fifth Business Day prior to the Embark Meeting: (i) with respect to any Subject Shares (and any other Subject Securities entitled to vote) that are registered in the name of the Shareholder, the Shareholder shall deliver or cause to be delivered, in accordance with the instructions set out in the Embark Circular and with a copy to the Buyer concurrently with such delivery, a duly executed proxy or proxies directing the holder of such proxy or proxies to vote in favour of the approval of the Acquisition and each of the other transactions contemplated by the Acquisition Agreement (including the Embark Resolution) and (ii) with respect to any Subject Shares (and any other Subject Securities entitled to vote) that are beneficially owned by the Shareholder but not registered in the name of the Shareholder, the Shareholder shall deliver or cause to be delivered voting instructions to the intermediary through which the Shareholder holds its beneficial interest in the Shareholder's Subject Shares (and any other Subject Securities entitled to vote), with a copy to the Buyer concurrently, instructing that the Shareholder's Subject Shares (and any other Subject Securities entitled to vote) be voted in favour of the approval of the Acquisition and each of the other transactions

contemplated by the Acquisition Agreement. Such proxy or proxies shall name those individuals as may be designated by the Company in the Company Circular and such proxy or proxies or voting instructions shall not be revoked, withdrawn or modified without the prior written consent of the Buyer.

(f) **Non-Solicitation**. If the Shareholder is a representative of the Company or any of its subsidiaries, the Shareholder hereby acknowledges and agrees to comply with the terms of Article XI of the Acquisition Agreement.

(g) **Other Covenants**. The Shareholder hereby:

(i) agrees not to exercise any dissent rights (as set out in Section 3.20 of the Acquisition Agreement) with respect to the Acquisition;

(ii) consents to: (A) details of, or a summary of, this Agreement being set out in any news release, information circular and court documents or other public disclosure produced by the Company or the Buyer in connection with the transactions contemplated by this Agreement and the Acquisition Agreement and (B) this Agreement being made publicly available, including by filing on SEDAR; and

(iii) acknowledges and agrees that a summary of the negotiations leading to the execution and delivery of this Agreement may appear in the Embark Circular and in any other public disclosure document required by any applicable laws and further agrees that it will, as promptly as practicable, notify the Buyer of any required corrections with respect to any written information supplied by it specifically for use in any such disclosure documents if and to the extent that the Shareholder becomes aware that any such information shall have become false or misleading in any material respect.

5. **Termination.**

This Agreement shall terminate upon the earliest to occur of:

(a) the written agreement of the Buyer and the Shareholder;

(b) notice being delivered to the Buyer if, without the prior written consent of the Shareholder, there is any decrease in the amount of, or change in the form of, the consideration payable for the outstanding Company Shares as set out in the Acquisition Agreement; provided that, a decrease in the market price of the Buyer common shares will not constitute a decrease in the amount of the consideration payable for the outstanding Company Shares as set out in the Acquisition Agreement;

(c) the Effective Time; and

(d) the termination of the Acquisition Agreement in accordance with its terms.

6. **No Agreement as Director or Officer.**

The Buyer acknowledges that the Shareholder is bound hereunder solely in its capacity as a security holder of the Company and, if the Shareholder is a director or officer of the Company, that the provisions hereof shall not be deemed or interpreted to bind the Shareholder in his or her capacity as a director or officer of the Company. Nothing in this Agreement shall: (a) limit or affect any actions or omissions taken by the Shareholder in his or her capacity as a director or officer of the Company, including in exercising rights under the Acquisition Agreement and no such actions or omissions shall be deemed a breach of this Agreement or (b) be construed to prohibit, limit or restrict the Shareholder from fulfilling his or her fiduciary duties as a director or officer of the Company.

7. **Injunctive Relief.**

The parties to this Agreement agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties to this Agreement shall be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement and to enforce compliance with the terms of this Agreement, without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedies to which the parties to this Agreement may be entitled at law or in equity.

8. **Entire Agreement.**

This Agreement constitutes the entire agreement between parties hereto with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties hereto.

9. **Amendment and Waiver**.

This Agreement may not be amended or supplemented, and no provisions hereof may be modified or waived, except by an instrument in writing signed by both of the parties hereto. No waiver of any provisions hereof by either party shall be deemed a waiver of any other

provisions hereof by such party, nor shall any such waiver be deemed a continuing waiver of any provision hereof by such party.

10. **Notices.**

Any notice or other communication given regarding the matters contemplated in this Agreement will be sufficient if in writing and (a) hand delivered, (b) sent by certified or registered mail, (c) sent by express courier or (d) if notice is also contemporaneously sent by one of the other methods, sent by facsimile or email, and addressed as follows:

If to the Buyer: BevCanna Enterprises, Inc.

Address: PO Box 33957, Vancouver, BC V6J 4L7

Attention: John Campbell, CFO

Email: [redacted]

If to the Shareholder, to the address or facsimile number or email address set forth for Shareholder on the signature page hereof.

Any notice or other communication is deemed to be given and received on the day on which it was delivered or, in the case of notices or other communications transmitted by facsimile or email, transmitted (or if such day is not a Business Day or if such notice or communication was delivered or transmitted after 5:00 p.m. (local time in the place of receipt) on the next following Business Day).

11. **Miscellaneous.**

(a) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

(b) Each of the parties hereto irrevocably attorns and submits to the exclusive jurisdiction of the courts of the Province of British Columbia and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

(c) If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any provision is illegal, invalid or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable

manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

(d) Subject to the provisions of this Agreement, the parties hereto will, from time to time, do all acts and things and execute and deliver all such further documents and instruments, as the other party may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

(e) Time is of the essence in this Agreement.

(f) Each of the Shareholder and the Buyer will pay its own expenses (including the fees and disbursements of legal counsel and other advisers) incurred in connection with the negotiation, preparation and execution of this Agreement and the transactions contemplated by this Agreement.

(g) This Agreement will be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns. Neither party to this Agreement may assign its rights or obligations under this Agreement without the prior written consent of the other party hereto; provided, however, that, the Buyer may assign all or any part of its rights under this Agreement to one or more of the Buyer's direct or indirect wholly owned subsidiaries, but no such assignment shall relieve the Buyer of its obligations under this Agreement. No assignment shall relieve the assigning party of any of its obligations hereunder.

(h) This Agreement may be executed in any number of counterparts (including counterparts by email) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The parties to this Agreement shall be entitled to rely upon delivery of an executed PDF or similar executed electronic copy of this Agreement, and such PDF or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the parties hereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first written above.

BevCanna Enterprises, Inc.

By: _____

Name:

Title:

[SHAREHOLDER]

By: _____

Name:

Number of Company Shares Beneficially Owned as of the Date of this Agreement:

[Number of Embark Options Beneficially Owned as of the Date of this Agreement:]

[Number of ♦ Beneficially Owned as of the Date of this Agreement:]

Address:

Facsimile:

Email:

SCHEDULE "O"

FORM OF BEVCANNA REPLACEMENT WARRANT

THE WARRANTS REPRESENTED BY THIS WARRANT CERTIFICATE ARE TRANSFERABLE.

WARRANT CERTIFICATE

BEVCANNA ENTERPRISES INC.

THESE WARRANTS WILL EXPIRE AND BECOME NULL AND VOID AT THE TIME OF EXPIRY (AS DEFINED HEREIN).

Warrant Certificate No.: ♦ **Right to Purchase ♦ Common Shares**
Number of Warrants: ♦

This is to certify that, for value received, ♦ of ♦ is the registered holder of ♦ common share purchase warrants (each, a "**Warrant**") of **BevCanna Enterprises Inc.** (the "**Company**"). Each Warrant will entitle the Holder, upon and subject to the terms and conditions attached to this certificate or any replacement certificate (in either case the "**Warrant Certificate**") as Appendix "A" (the "**Terms and Conditions**"), to acquire from the Company one fully paid and non-assessable common share of the Company (each, a "**Warrant Share**") at a price (the "**Exercise Price**") of $1.47 per share at any time from the date of issuance to any time prior to 5:00 p.m. (Vancouver time) on ♦, 202♦ [the second anniversary of the date of issuance] (the "**Time of Expiry**").

1. ONE (1) WARRANT AND THE APPLICABLE EXERCISE PRICE ARE REQUIRED TO PURCHASE ONE WARRANT SHARE. THIS CERTIFICATE REPRESENTS ♦ WARRANTS.

2. These Warrants are issued subject to the Terms and Conditions, and the Holder may exercise the right to purchase Warrant Shares only in accordance with the Terms and Conditions.

3. Nothing contained herein or in the Terms and Conditions will confer any right upon the Holder or any other person to subscribe for or purchase any Warrant Shares at any time subsequent to the Time of Expiry and from and after such time, these Warrants and all rights under this Warrant Certificate will be void and of no value.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF the Company has caused this Warrant Certificate to be executed.

DATED at the City of Vancouver, in the Province of British Columbia, this ♦ day of January, 202♦.

BEVCANNA ENTERPRISES INC.

Per: _____
Authorized Signatory

APPENDIX "A"

TERMS AND CONDITIONS

TERMS AND CONDITIONS (the "**Terms and Conditions**"), attached to the Warrant Certificate issued by BevCanna Enterprises Inc.

1. **INTERPRETATION**

1.1 Definitions

In these Terms and Conditions, unless there is something in the subject matter or context inconsistent therewith:

(a) "**Auditors**" means an independent firm of accountants duly appointed as auditors of the Company;

(b) "**Business Day**" means any day of the year other than Saturday, Sunday or any day on which banks are required or authorized to close in Vancouver, British Columbia;

(c) "**Common Share Reorganization**" has the meaning given to such term in Section 4.6(b)(i);

(d) "**Company**" means BevCanna Enterprises Inc. until a successor corporation will have become such as a result of consolidation, amalgamation or merger of the Company with or into any other corporation or corporations, or as a result of the conveyance or transfer of all or substantially all of the properties and estates of the Company as an entirety to any other corporation, and, thereafter, "Company" will mean such successor corporation;

(e) "**Exchange**" means the Canadian Securities Exchange;

(f) "**Exercise Price**" means $1.47 per share at any time from the date of issuance to any time prior to 5:00 p.m. (Vancouver time) on ♦, 202♦ [the second anniversary of the date of issuance];

(g) "**Exercise Date**" has the meaning given to such term in Section 4.2(a);

(h) "**Expiry Date**" means♦, 202♦ [the second anniversary of the date of issuance];

(i) "**herein**", "**hereby**" and similar expressions refer to these Terms and Conditions as the same may be amended or modified from time to time;

(j) "**Holder**" means the holder of the Warrants;

(k) "**Issuance Date**" means the date hereof;

(l) "**person**" means a natural person, corporation, limited liability corporation, unlimited liability corporation, joint stock corporation, partnership, limited partnership, limited liability partnership, trust, trustee, any unincorporated organization, joint venture or any other entity;

(m) "**Section**" followed by a number refers to the specified Section of these Terms and Conditions;

(n) "**Shares**" means the common shares in the capital of the Company as constituted at the date hereof and any Shares resulting from any subdivision or consolidation of the Shares;

(o) "**Subscription Form**" has the meaning given to such term in Section 4.1(a);

(p) "**Time of Expiry**" means 5:00 pm (Vancouver Time) on the Expiry Date;

(q) "**Warrant Certificate**" means the Warrant Certificate attached to these Terms and Conditions;

(r) "**Warrants**" means the common share purchase warrants of the Company represented by the Warrant Certificate; and

(s) "**Warrant Shares**" means the Shares issuable upon exercise of the Warrants.

1.2 Gender

Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

1.3 Interpretation not affected by Headings

The division of these Terms and Conditions into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation thereof.

1.4 Applicable Law

The Warrants will be exclusively construed in accordance with the laws of the Province of British Columbia. The Warrant Certificate and these Terms and Conditions are governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Holder irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.

1.5 Currency

Unless otherwise provided, all dollar amounts referred to in the Warrant Certificate and these Terms and Conditions are in lawful money of Canada.

2. ISSUE OF WARRANTS

2.1 Additional Warrants

The Company may at any time and from time to time issue additional warrants or grant options or similar rights to purchase Shares.

2.2 Warrants to Rank Pari Passu

All Warrants and additional warrants, options or similar rights to purchase Shares from time to time issued or granted by the Company will rank *pari passu*, whatever may be the actual dates of issue or grant thereof, or of the dates of the certificates by which they are evidenced.

2.3 Replacement of Lost or Damaged Warrant Certificate

(a) In case the Warrant Certificate becomes mutilated, lost, destroyed or stolen, the Company, at its discretion, may issue and deliver a new Warrant Certificate of like date and tenor as the one mutilated, lost, destroyed or stolen, in exchange for, in place of, and upon cancellation of, such mutilated Warrant Certificate, or in lieu of, and in substitution for, such lost, destroyed or stolen Warrant Certificate, and the replacement Warrant Certificate will be entitled to the benefit hereof and rank equally in accordance with its terms with all other warrants issued or to be issued by the Company.

(b) The applicant for the issue of a new Warrant Certificate pursuant hereto will bear the cost of the issue thereof and, in case of loss, destruction or theft, will furnish to the Company such evidence of ownership and of loss, destruction or theft of the Warrant Certificate so lost, destroyed or stolen as will be satisfactory to the Company in its discretion. Such applicant may also be required to furnish indemnity in amount and form satisfactory to the Company in its discretion, and will pay the reasonable charges of the Company in connection therewith.

2.4 Holder Not a Shareholder

The holding of the Warrant Certificate shall not constitute the Holder thereof a shareholder of the Company, nor entitle him to any right or interest in respect thereof except as expressly provided in the Warrant Certificate.

3. **NOTICE**

3.1 Notice to Holders

Any notice required or permitted to be given to the Holder will be in writing and may be given by prepaid registered post, electronic facsimile transmission or other means of electronic communication capable of producing a printed copy to the address of the Holder appearing on the Warrant Certificate or to such other address as the Holder may specify by notice in writing to the Company to the address set forth in Section 3.2, and any such notice will be deemed to have been given and received by the Holder: (i) if mailed, on the third Business Day following the mailing thereof; (ii) if by facsimile or other electronic communication, on successful transmission; or (iii) if delivered, on delivery, but if at the time of mailing, or between the time of mailing and the third Business Day thereafter, there is a strike, lockout or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered.

3.2 Notice to the Company

Any notice required or permitted to be given to the Company will be in writing and may be given by prepaid registered post, electronic facsimile transmission or other means of electronic communication capable of producing a printed copy to the address of the Company set forth below or such other address as the Company may specify by notice in writing to the Holder to the address of the Holder appearing on the Warrant Certificate, and any such notice will be deemed to have been given and received by the Company: (i) if mailed, on the third Business Day following the mailing thereof; (ii) if by facsimile or other electronic communication, on successful transmission; or (iii) if delivered, on delivery, but if at the time of mailing, or between the time of mailing and the third Business Day thereafter, there is a strike, lockout or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered.

Notices to the Company shall be delivered to:

BevCanna Enterprises Inc.
PO Box 34061 Vancouver D CSC
Vancouver, British Columbia V6J 4M1
Attention: Chief Executive Officer

4. EXERCISE OF WARRANTS

4.1 Method of Exercise of Warrants

The Holder may exercise its right to purchase the Warrant Shares at the Exercise Price at any time until the Time of Expiry by providing the Company with the following documents:

(a) a completed and executed subscription form, in the form attached as Appendix B hereto (the "**Subscription Form**"), for the number of Warrant Shares which the Holder wishes to purchase, in the manner therein indicated;

(b) surrendering the Warrant Certificate, together with the executed Subscription Form, to the address set forth in Section 3.2; and

(c) paying the appropriate Exercise Price, in Canadian funds, for the number of Warrant Shares subscribed for, either by bank draft, certified cheque or money order, payable to the Company in Vancouver, British Columbia at the address set forth in Section 3.2. Alternatively, the Exercise Price may be wired to the Company or its lawyers pursuant to wiring instructions that will be provided to the Holder upon request.

4.2 Effect of Exercise of Warrants

(a) On the date the Company receives a duly executed Subscription Form and the Exercise Price for the number of Warrant Shares specified in the Subscription Form (the "**Exercise Date**"), the Warrant Shares so subscribed for will be deemed to have been issued and the persons to whom such Warrant Shares have been deemed to be issued will be deemed to have become the holder (or holders) of record of such Warrant Shares on such date.

(b) As promptly as practicable after the Exercise Date and, in any event, within five (5) Business Days of the Exercise Date, the Company shall forthwith cause to be delivered to the person or persons in whose name or names the Warrant Shares so subscribed for are to be registered as specified in such Subscription Form, and courier to him or them at his or their respective addresses specified in such Subscription Form, a certificate or certificates for the appropriate number of fully paid and non-assessable Warrant Shares, which will not exceed that number which the Holder is entitled to purchase pursuant to the Warrant Certificate surrendered.

4.3 Subscription for Less Than Entitlement

The Holder of any Warrant may subscribe for and purchase a number of Warrant Shares less than the number which the Holder is entitled to purchase pursuant to the surrendered Warrant Certificate. In the event of any purchase of a number of Warrant Shares less than the number which can be purchased pursuant to the Warrant Certificate, the Holder, upon exercise thereof, shall be entitled to receive a new

Warrant Certificate in respect of the balance of the Warrant Shares which the Holder was entitled to purchase pursuant to the surrendered Warrant Certificate and which were not then purchased.

4.4 Warrants for Fractions of Warrant Shares

To the extent that the Holder of any Warrant is entitled to receive on the exercise or partial exercise thereof a fraction of a Warrant Share, such right may be exercised in respect of such fraction only in combination with another Warrant or other Warrants which, in the aggregate, entitle the Holder to receive a whole number of such Warrant Shares.

4.5 Expiration of Warrants

After the Time of Expiry, all rights under the Warrant Certificate and these Terms and Conditions shall wholly cease and terminate and the Warrants shall be void and of no further force and effect.

4.6 Adjustment of Exercise Price

(a) Unless there is something in the subject matter or context inconsistent therewith, in this Warrant the words and terms defined below will have the following respective meanings:

(i) "**Adjustment Period**" means the period commencing on the date of issue of this Warrant and ending at the Expiry Time;

(ii) "**Current Market Price**" of the Shares at any date means the price per Share equal to the weighted average price at which the Shares have traded on the Exchange or, if the Shares are not then listed on the Exchange, on such other stock exchange as the Shares may then be listed or as may be selected by the directors of the Company for such purpose or, if the Shares are not then listed on any stock exchange, in the over-the-counter market, during the period of any 20 consecutive trading days ending not more than five business days before such date; provided that the weighted average price will be determined by dividing the aggregate sale price of all Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Shares so sold; and provided further that if the Shares are not then listed on any stock exchange or traded in the over-the counter market, then the Current Market Price will be determined by such firm of independent chartered accountants as may be selected by the directors of the Company;

(iii) "**director**" means a director of the Company for the time being and, unless otherwise specified herein, a reference to action "by the directors" means action by the directors of the Company as a board or, whenever empowered, action by the executive committee of such board;

(iv) "**Shares**" means the common shares without par value in the capital of the Company; and

(v) "**trading day**" with respect to a stock exchange or over-the-counter market means a day on which such stock exchange or market is open for business.

(b) The Exercise Price and the number of Shares issuable to the Holder will be subject to adjustment from time to time in the events and in the manner provided as follows:

(i) If at any time during the Adjustment Period the Company:

A. fixes a record date for the issue of, or issues, Shares to the holders of all or substantially all of the outstanding Shares by way of a stock dividend;

B. fixes a record date for the distribution to, or makes a distribution to, the holders of all or substantially all of the Shares payable in Shares or securities exchangeable for or convertible into Shares;

C. subdivides the outstanding Shares into a greater number of Shares; or

D. consolidates the outstanding Shares into a lesser number of Shares;

(any of such events in subparagraphs (A), (B), (C) and (D) above being herein called a "**Common Share Reorganization**"), the Exercise Price will be adjusted on the earlier of the record date on which holders of Shares are determined for the purposes of the Common Share Reorganization and the effective date of the Common Share Reorganization to the amount determined by multiplying the Exercise Price in effect immediately prior to such record date or effective date, as the case may be, by a fraction:

I. the numerator of which will be the number of Shares outstanding on such record date or effective date before giving effect to such Common Share Reorganization; and

II. the denominator of which will be the number of Shares that will be outstanding immediately after giving effect to such Common Share Reorganization (including in the case of a distribution of securities exchangeable for or convertible into Shares at no additional cost to the holder thereof the number of Shares that would be outstanding had such securities all been exchanged for or converted into Shares on such date).

To the extent that any adjustment in the Exercise Price occurs pursuant to this subparagraph (i) as a result of the fixing by the Company of a record date for the distribution of securities exchangeable for or convertible into Shares, the Exercise Price will be readjusted immediately after the expiry of any relevant exchange or conversion right to the Exercise Price that would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiry and will be further readjusted in such manner upon the expiry of any further such rights.

(ii) If at any time during the Adjustment Period the Company fixes a record date for the issue or distribution to the holders of all or substantially all of the outstanding Shares of rights, options or warrants pursuant to which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (such period being the "**Rights Period**"), to subscribe for or purchase Shares or securities exchangeable for or convertible into Shares at a price per Share (or in the case of securities exchangeable for or convertible into Shares at an exchange or conversion price per Share at the date of issue of such securities) of less than 95% of the Current Market Price of the Shares on such record date (any

of such events being herein called a "**Rights Offering**"), the Exercise Price will be adjusted effective immediately after the record date for the Rights Offering to the amount determined by multiplying the Exercise Price in effect on such record date by a fraction:

A. the numerator of which will be the aggregate of:

I. the number of Shares outstanding on the record date for the Rights Offering; and

II. the quotient determined by dividing:

a. either (a) the product of the number of Shares offered during the Rights Period pursuant to the Rights Offering and the price at which such Shares are offered, or, (b) the product of the exchange or conversion price of the securities so offered and the number of Shares for or into which the securities offered pursuant to the Rights Offering may be exchanged or converted, as the case may be, by

b. the Current Market Price of the Shares as of the record date for the Rights Offering; and

B. the denominator of which will be the aggregate of the number of Shares outstanding on such record date and the number of Shares offered pursuant to the Rights Offering (including in the case of the issue or distribution of securities exchangeable for or convertible into Shares the number of Shares for or into which such securities may be exchanged or converted).

If by the terms of the rights, options, or warrants referred to in this subparagraph (ii), there is more than one purchase, conversion or exchange price per Share, the aggregate price of the total number of additional Shares offered for subscription or purchase, or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered, will be calculated for purposes of the adjustment on the basis of the lowest purchase, conversion or exchange price per Share, as the case may be. Any Shares owned by or held for the account of the Company will be deemed not to be outstanding for the purpose of any such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this subparagraph (ii) as a result of the fixing by the Company of a record date for the issue or distribution of rights, options or warrants referred to in this subparagraph (ii), the Exercise Price will be readjusted immediately after the expiry of any relevant exchange, conversion or exercise right to the Exercise Price that would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiry and will be further readjusted in such manner upon the expiry of any further such rights.

(iii) If at any time during the Adjustment Period there occurs:

A. a reclassification or redesignation of the Shares, any change of the Shares into other shares or securities or any other capital reorganization involving the Shares, other than a Common Share Reorganization;

B. a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other body corporate that results in a reclassification or redesignation of the Shares or a change of the Shares into other shares or securities; or

C. the transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or entity;

(any of such events being herein called a "**Capital Reorganization**"), then after the effective date of the Capital Reorganization the Holder will be entitled to receive, and shall accept, for the same aggregate consideration, upon exercise of the Warrants, in lieu of the number of Shares to which the Holder was theretofore entitled upon the exercise of the Warrants, the kind and aggregate number of shares and other securities or property resulting from the Capital Reorganization which the Holder would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, the Holder had been the registered holder of the number of Shares that the Holder was at such time entitled to purchase or receive upon the exercise of the Warrants. If necessary, as a result of any Capital Reorganization, appropriate adjustments will be made in the application of the provisions of this Warrant Certificate with respect to the rights and interest thereafter of the Holder to the end that the provisions of this Warrant Certificate will thereafter correspondingly be made applicable as nearly as may reasonably be possible in relation to any shares or other securities or property thereafter deliverable upon the exercise of the Warrants.

(iv) If at any time during the Adjustment Period any adjustment or readjustment in the Exercise Price occurs pursuant to the provisions of subparagraphs (i), (ii) or (iii) hereof, then the number of Shares purchasable upon the subsequent exercise of the Warrants will be simultaneously adjusted or readjusted, as the case may be, by multiplying the number of Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment or readjustment by a fraction that is the reciprocal of the fraction used in the adjustment or readjustment of the Exercise Price.

(c) The following rules and procedures will be applicable to any adjustments made pursuant to the preceding paragraph of this Warrant:

(i) Subject to the following provisions of this paragraph, any adjustments made will be made successively whenever an event referred to in the preceding paragraph occurs.

(ii) No adjustment in the Exercise Price will be required unless the adjustment would result in a change of at least one per cent in the Exercise Price then in effect and no adjustment will be made in the number of Shares purchasable or issuable on the exercise of the Warrants unless it would result in a change of at least one one-hundredth of a Share; provided, however, that any adjustments that, except for the provisions of this paragraph, would otherwise have been required to be made

will be carried forward and taken into account in any subsequent adjustment. Notwithstanding any other provision of the preceding paragraph, no adjustment of the Exercise Price will be made that would result in an increase in the Exercise Price or a decrease in the number of Shares issuable upon the exercise of the Warrants (except in respect of a consolidation of the outstanding Shares).

(iii) If at any time during the Adjustment Period the Corporation takes any action affecting the Shares, other than an action or an event described in the preceding paragraph, which in the opinion of the directors would have a material adverse effect upon the rights of the Holder under this Warrant, the Exercise Price and/or the number of Shares purchasable under this Warrant will be adjusted in such manner and at such time as the directors may determine to be equitable in the circumstances. Failure of the taking of action by the directors so as to provide for an adjustment prior to the effective date of any action by the Company affecting the Shares will be deemed to be conclusive evidence that the directors have determined that it is equitable to make no adjustment in the circumstances.

(iv) No adjustment in the Exercise Price or in the number or kind of securities purchasable on the exercise of the Warrants will be made in respect of any event described in the preceding paragraph if the Holder is entitled to participate in such event on the same terms mutatis mutandis as if the Holder had exercised the Warrants prior to, or on, the record date or effective date, as the case may be, of such event.

(v) If the Company sets a record date to determine holders of Shares for the purpose of entitling such holders to receive any dividend or distribution or any subscription or purchase rights and thereafter and before the distribution to such holders of any such dividend, distribution or subscription or purchase rights legally abandons its plan to pay or deliver such dividend, distribution or subscription or purchase rights, no adjustment in the Exercise Price or the number of Shares purchasable upon the exercise of the Warrants will be required by reason of the setting of such record date and any such adjustment that has been made will be reversed.

(vi) In any case in which this Warrant requires that an adjustment become effective immediately after a record date for an event referred to in the preceding paragraph hereof, the Company may defer, until the occurrence of such event:

A. issuing to the Holder, to the extent that the Warrants are exercised after such record date and before the occurrence of such event, the additional Shares issuable upon such exercise by reason of the adjustment required by such event; and

B. delivering to the Holder any distribution declared with respect to such additional Shares after such record date and before such event;

provided, however, that the Company delivers to the Holder an appropriate instrument evidencing the right of the Holder, upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price or the number of Shares purchasable upon the exercise of the Warrants.

(vii) If a dispute arises at any time with respect to any adjustment of the Exercise Price or the number of Shares purchasable pursuant to this Warrant, such dispute, absent manifest error, will be conclusively determined by the auditors of the Company or if they are unable or unwilling to act by such other firm of independent chartered accountants as may be selected by the directors.

(viii) All adjustments to the Exercise Price or the number of Shares purchasable pursuant to this Warrant are subject to the prior approval of the Exchange.

(ix) As a condition precedent to the taking of any action that would require an adjustment pursuant to the preceding paragraph, the Company will take any action that may, in the opinion of the Company's legal counsel, be necessary in order that the Company may validly and legally issue as fully paid and non-assessable all of the Shares that the Holder is entitled to receive in accordance with the provisions of this Warrant.

4.7 Determination of Adjustments

If any questions will at any time arise with respect to the Exercise Price or any adjustment provided for in Section 4.6, such questions will be conclusively determined by the Company's Auditors, or, if they decline to so act, by any other firm of certified public accountants registered with the Canadian Public Accountability Board that the Company may designate and who will have access to all appropriate records, and such determination will be binding upon the Company and the Holder.

5. **US SECURITIES MATTERS**

The Warrants and the Shares issuable upon exercise hereof have not been registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**"), or the securities laws of any state of the United States. Accordingly, the Warrants and the Shares issuable upon exercise hereof may not be offered or sold, directly or indirectly, in the United States except pursuant to registration under the 1933 Act and the applicable securities laws of all applicable states or available exemption therefrom. The Warrants may not be exercised by or on behalf of a U.S. person or person in the United States unless the Warrants and the Shares issuable upon exercise of the Warrants have been registered under the 1933 Act and the applicable securities legislation of any such state or an exemption from such registration requirements is available. "United States" and "U.S. person" are as defined by Regulation S under the 1933 Act. As a condition to the exercise of the Warrants by, or for the account or benefit of, U.S. persons or persons in the United States, the Holder shall provide evidence to the Company to the satisfaction, acting reasonably, that such exercise is exempt from the registration requirement of the 1933 Act. The Holder hereby agrees and consents by acceptance hereof that all certificates representing Shares acquired upon exercise of the Warrants by, or for the account or benefit of, U.S. persons or persons in the United States shall have the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES, FOR THE BENEFIT OF BEVCANNA ENTERPRISES INC. (THE "COMPANY"), THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH ALL LOCAL LAWS AND REGULATIONS; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY (I) RULE 144

THEREUNDER, IF AVAILABLE, OR (II) RULE 144A THEREUNDER, IF AVAILABLE, AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS; OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF CLAUSE (C)(I) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL, OF RECOGNIZED STANDING, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE.

6. **WAIVER OF CERTAIN RIGHTS**

The Holder, as part of the consideration for the issue of the Warrants, waives and will not have any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future incorporator, shareholder, director or officer of the Company for the issue of Warrant Shares pursuant to the exercise of any Warrant, or on any covenant, agreement, representation or warranty by the Company herein contained or contained in the Warrant Certificate.

7. **MODIFICATION OF TERMS AND CONDITIONS FOR CERTAIN PURPOSES**

From time to time, the Company may, subject to the provisions herein, modify the Terms and Conditions hereof, for the purpose of correction or rectification of any ambiguities, defective provisions, errors or omissions herein.

8. **TIME OF ESSENCE**

Time will be of the essence hereof.

9. **SUCCESSORS**

This Warrant Certificate will enure to the benefit of and will be binding upon the Company and its successors.

10. **WARRANTS TRANSFERABLE**

The Warrants, and any rights attached to any of them, are transferable, subject to applicable securities laws.

APPENDIX B

SUBSCRIPTION FORM

TO: BevCanna Enterprises Inc.
PO Box 34061 Vancouver D CSC
Vancouver, British Columbia V6J 4M1
Attention: Chief Executive Officer

The undersigned Holder of the within Warrant Certificate hereby subscribes for _____ common shares (the "**Shares**") of **BevCanna Enterprises Inc.** (the "**Company**) pursuant to the within Warrant Certificate at the Exercise Price per Share and on the Terms and Conditions of the within Warrant Certificate. This subscription is accompanied by a certified cheque or bank draft payable to or to the order of the Company for the whole amount of the purchase price of the Shares. The undersigned Holder represents that, at the time of exercise of the Warrants, all of the representations and warranties contained in the Subscription Agreement between the Company and the undersigned Holder pursuant to which these Warrants were issued are true and accurate.

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Warrant Certificate dated ♦, 202♦ to which this Subscription Form is attached.

The undersigned hereby directs that the Shares hereby subscribed for be issued and delivered as follows:

NAME(S) IN FULL	ADDRESS(ES)	NUMBER OF SHARES
	TOTAL:	

(Please print full name in which share certificates are to be issued).

DATED this _____ day of _____, 20___.

In the presence of:

_____ _____
Signature of Witness Signature of Warrant Holder

Please print below your name and address in full.

_____
Name

_____
Address

_____

_____

INSTRUCTIONS FOR SUBSCRIPTION FORM

The signature to the Subscription Form must correspond in every particular with the name written upon the face of the Warrant Certificate without alteration or enlargement or any change whatever. If there is more than one subscriber, all must sign.

In the case of persons signing by agent or attorney or by personal representative(s), the authority of such agent, attorney or representative(s) to sign must be proven to the satisfaction of the Company.

If the Warrant Certificate and the Subscription Form are being forwarded by mail, registered mail must be employed.