



HERBALAND NATURALS SUPPLY AGREEMENT

THIS SUPPLY AGREEMENT, ("Agreement") made and entered into this 1st day of January 1, 2022, to be effective as of the 1st day of January, 2022 ("Effective Date") by and between Potent Ventures a Corporation with its principal offices at 734-1055 Dunsmuir Street, Vancouver, British Columbia, Canada V7X 1B1 ("PURCHASER") and Herbaland Naturals Inc. a British Columbia corporation with its principal offices at 13330 Maycrest Way, Richmond, BC, V6V 2J7 ("SUPPLIER").

WHEREAS, the parties desire to enter into this Agreement upon the terms and conditions set forth herein; and

WHEREAS, PURCHASER desires to obtain a supply of products as more fully described in Exhibit A, which may be amended from time to time by written agreement of the parties, the current version of which is attached to and made a part of this Agreement (the "Products") for distribution and sale by PURCHASER under the terms of this Agreement; and

WHEREAS, SUPPLIER desires to supply the Products to PURCHASER under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises that this Agreement contains, and other good and valuable consideration, receipt of which the parties acknowledge, the parties, intending to be bound legally, agree as follows:

1. Manufacture of the Products.

PURCHASER shall place purchase orders for the purchase of Products with SUPPLIER. SUPPLIER shall manufacture, sell and deliver to PURCHASER the Products under the terms of this Agreement and in strict compliance with (i) the standards and specifications contained in Exhibit B (the "Specifications"), and (ii) the terms and conditions of a duly authorized and issued PURCHASER purchase order, the form of which is attached as Exhibit C, all of which PURCHASER may reissue or amend from time to time in its sole discretion. The terms and conditions of the PURCHASER purchase order and the PURCHASER SUPPLIER Compliance Manual shall be in addition to and not in limitation of the terms and conditions of this Agreement. Any inconsistencies between the terms and conditions of the PURCHASER purchase order or the PURCHASER SUPPLIER Compliance Manual and this Agreement shall be resolved in favor of the terms and conditions of this Agreement. Any terms or conditions appearing on or incorporated into any invoice forms or other documents sent by SUPPLIER which are inconsistent with or in addition to the terms and conditions of this Agreement shall not apply.



2. Term.

The initial term of this Agreement shall commence as of the Effective Date and shall continue in full force and effect until January 1, 2023 unless terminated pursuant to the terms and conditions of this Agreement, below (the "Term"). Upon mutual written agreement of the parties, this Agreement may renew for an additional one (1) year period, with either party giving at least ninety (90) days written notice of renewal prior to January 1, 2023.

3. Purchase Orders.

- a) PURCHASER shall from time-to-time place orders for the Products by submitting written purchase orders ("Purchase Orders"). Each Purchase Order shall specify: (i) the number of units of Product and (ii) the requested delivery date, provided that any requested delivery date shall be no less than 12 weeks from the date of the Purchase Order. Purchase Orders may be submitted by facsimile, or electronically, or such other means as the Parties may from time to time agree. All purchase orders shall be in multiples of the minimum order quantity as agreed by the Parties.
- b) Herbaland shall acknowledge each Purchase Order within five (5) Business Days of receipt by facsimile, or such other means as the Parties may from time to time agree, whereupon it shall become binding on both Parties, *provided that* (i) any Purchase Order not so acknowledged shall be deemed accepted after ten (10) Business Days.
- c) Cancellation or Amendment of Purchase Orders. PURCHASER may cancel or amend a Purchase Order by delivering written notice within five (5) Business Days of the original issuance of the Purchase Order. Such notice shall be delivered by the same means as the Purchase Order to which the cancellation or amendment relates. Herbaland shall confirm receipt of a cancellation or amendment notice in writing within five (5) Business Days in the same manner as such notice was transmitted. All costs associated with the cancellation and amendment of a Purchase Order will be reimbursed to Herbaland by PURCHASER at a minimum 5% of the Purchase Orders value.

4. Lead Time.

SUPPLIER understands and acknowledges that, because of the competitive nature of the market for the Products, TIME IS OF THE ESSENCE of this Agreement. SUPPLIER shall manufacture and shall ship all quantities of the Products for delivery as specified in the purchase order issued by PURCHASER. Unless otherwise agreed to by the parties, SUPPLIER shall manufacture and have ready for shipment sufficient Products to fill PURCHASER's purchase order within 24 weeks from the date received by SUPPLIER. SUPPLIER will work with PURCHASER to support occasional shorter lead time orders.

5. Manufacturing Facilities.

SUPPLIER shall manufacture the Products at its processing facilities at 13330 Maycrest Way or 12280 Horseshoe Way, Richmond, BC or at any other qualified manufacturing facilities listed at the



site license issued by Health Canada as PURCHASER and SUPPLIER shall mutually agree (the "Factory"). SUPPLIER warrants that the Factory is capable of manufacturing and processing the Products in accordance with the requirements of this Agreement and in compliance with all applicable local, state and Federal laws and regulations. SUPPLIER warrants that it solely operates, and for the term of this Agreement solely shall operate, the Factory and all processing equipment located in the Factory. If SUPPLIER wishes to move the manufacturing of the Products, SUPPLIER shall provide PURCHASER written notice of such intention. PURCHASER shall have the right to inspect such facility to determine if it is capable of manufacturing the Products pursuant to the Specifications, and upon mutual written agreement, the manufacturing of the Products shall move to such approved Factory. If agreement cannot be reached on the proposed Factory change, PURCHASER will not be obligated to purchase the Product(s) affected by the proposed Factory change, and the SUPPLIER will not be obligated to produce the Product(s) affected by the proposed Factory change, at which time this Agreement will cease to be applicable to such Product(s). If the proposed Factory change affects all Products, PURCHASER shall have the right to terminate this Agreement at PURCHASER's election upon thirty (30) days written notice.

6. Raw Materials; Ingredients; Packaging.

SUPPLIER shall furnish at its own expense all raw materials and ingredients required for the manufacture, production and processing of the Products and shall supply at its own expense all packaging including without limitation all labels, boxes, unit bags, wrappers, cartons, containers or other packaging, wrapping or elements thereof, necessary for the Products under this Agreement. SUPPLIER shall provide the nutrition information and ingredient statement as agreed to by the parties, which will be made part of the Specifications. SUPPLIER shall use artwork, graphics and label copy that PURCHASER shall furnish, which SUPPLIER and PURCHASER shall each review and approve. SUPPLIER agrees that it will not purchase quantities of raw material inventory and packaging inventory in excess of the amounts required by a purchaser order unless it is with the express authorization of PURCHASER.

7. Ownership Rights of PURCHASER; Changes in Specifications.

- a) SUPPLIER acknowledges that PURCHASER is and shall remain the owner of all intellectual property used in connection with the Products, including without limitation recipes, formulations, Specifications, artwork, packaging, graphics, trademarks, trade dress and label copy furnished by, or developed independently by or on behalf of either party and other confidential and proprietary information relating to the Products. SUPPLIER shall be the owner of the specific manufacturing processing techniques which it has developed or develops independently in the production of the Products for the term of the agreement. SUPPLIER shall not make any changes whatsoever to the Specifications without PURCHASER's written consent.
- b) PURCHASER shall have the right from time to time at its sole option to modify the formulations for the Products included as part of the Specifications or to discontinue any Product. The prices for Products with modified formulations shall be adjusted by mutual agreement of the parties hereto to reflect any increased or decreased cost of manufacture by



SUPPLIER. If such modification or discontinuation (i) renders the packaging or raw material obsolete or (ii) requires a change to the packaging or raw material, PURCHASER shall be responsible for the payment for or disposal of the obsolete packaging; provided that SUPPLIER procured these items in compliance with the Section titled Raw Materials; Ingredients; Packaging.

- c) PURCHASER grants to SUPPLIER a one (1) year exclusive manufacturing agreement for the manufacture of the Products listed on Exhibit A. The one year period for each Product listed on Exhibit A begins on the date of the first purchase order for such Product. For any new Products developed by the parties, such Products will be added to Exhibit A and SUPPLIER will have a one year exclusive manufacturing agreement for these Products, with the one year exclusive manufacturing period commencing with the date of the first purchase order for each Product.

8. Compensation/Invoicing.

- a) PURCHASER shall pay to SUPPLIER in full and complete consideration for the manufacture of the Products, including but not limited to all ingredients, processing, production, wrapping, packaging and packing of the Products in display boxes and master shippers, and the industry standard stretch wrapping of pallets of the Products, the prices specified on Exhibit D (the "Prices"), attached hereto and made part hereof, for all Products manufactured, processed and delivered in accordance with the Specifications and delivered and approved as herein set forth. The prices for the Products will be re-negotiated on a yearly basis at least 60 days before each anniversary of the first purchase order for such Product with any decreases or increases being effective on the anniversary date ("**Revised Pricing Date**"). Such pricing will be held constant for a year after the Revised Pricing Date and will apply to all purchase orders issued within that year, however, the PURCHASER or SUPPLIER may seek to renegotiate the pricing at any time during the year if it deems there has been a change in circumstances. If agreement cannot be reached on a proposed Price change in any negotiations, PURCHASER will not be obligated to purchase additional Product, and the SUPPLIER will not be obligated to produce additional Product, at which time this Agreement will cease to be applicable to the specific Product.
- b) SUPPLIER shall invoice PURCHASER for 50% deposit upon delivery of a purchase order and balance upon shipment of Product(s).

9. Materials.

All ingredients and raw materials that SUPPLIER uses for the manufacture of the Products shall conform to the Specifications. SUPPLIER agrees to obtain from each SUPPLIER a Certificate of Analysis of each raw material and/or ingredient. SUPPLIER agrees to maintain a formal SUPPLIER qualification process which shall include verification of SUPPLIER quality systems.

10. Delivery.

SUPPLIER will arrange for product shipment from the respective Factory, EXW incoterms or as specified in the purchase order. The actual quantity of each Product in a purchase order produced and shipped shall not vary by more than plus or minus 10% from the quantities set out in the



purchase order. SUPPLIER will inform PURCHASER when the shipment is ready. PURCHASER (North American) should arrange pick up within in 2 weeks from the date they are informed. PURCHASER (International) should arrange pick up within 3 weeks from the date they are informed. A storage fee of USD 20 per pallet per day will be applied to the balance of the invoice, if the pickup was not arranged within the timeframe mentioned above. Unless otherwise agreed by both parties.

11. Risk of Loss.

For Products shipping EXW, PURCHASER shall bear the risk of loss or damage to, and assumes possession of, any of the Products after SUPPLIER has delivered the same to the transportation carrier that PURCHASER has approved pursuant to PURCHASER's instructions, except for loss or damage caused by the manufacturing, processing, packaging, or quality of the Products, in which case SUPPLIER solely shall bear the risk of such loss or damage. For Products shipping DDP, SUPPLIER shall bear the risk of loss or damage until the Products are delivered to the PURCHASER distribution center. SUPPLIER shall bear the risk of loss or damage to any of the Products that occur before the shipment of such Products to PURCHASER, its distribution center or to the carrier that PURCHASER has designated for transportation of the Products.

12. Certificate of Analysis/Inspections/Acceptance/Reports/Audits.

- a) SUPPLIER will test each production run of the Products and will issue a Certificate of Analysis to PURCHASER documenting conformance with the applicable Specifications for each production run of Product.
- b) Accredited representatives of PURCHASER may enter and inspect, as they pertain to the production of the Products, the Factory and any warehouse at which SUPPLIER has stored the Products' raw materials and ingredients or packaging, during the time of production, storage or clean-up periods. The inspection may include, but shall not be limited to all aspects of SUPPLIER's manufacturing techniques, quality control, production, inspections, SUPPLIER qualification, inventory control, shipping and receiving, internal quality audits, complaints, corrective actions, failure investigations and sanitation procedures and records. SUPPLIER shall maintain and make available to PURCHASER upon request all records of chemical, physical, microbiological and process tests of the basic ingredients and packaging materials, intermediate products and finished Products that SUPPLIER conducts or that it requires from its SUPPLIERS.
- c) If any quantity of the Products is defective or does not substantially conform to samples, descriptions, or the Specifications, PURCHASER may reject all of such quantity or accept all of such quantity. SUPPLIER shall investigate the non-conformance and a credit may be issued in the event of negligence or fault on behalf of the SUPPLIER.
- d) SUPPLIER has delivered, and PURCHASER hereby acknowledges receipt from SUPPLIER of, information relating to the general financial condition of SUPPLIER, including but not limited to (i) trade and bank references and other financial reports as outlined in Exhibit F, (ii) its organizational structure, and (iii) SUPPLIER's business and plant locations planned to be



used by or on behalf of SUPPLIER in relation to the manufacture of the Products. At PURCHASER's reasonable request, SUPPLIER agrees to update such financial information.

- e) SUPPLIER shall preserve all records relating to the manufacture and shipping of the Products subject to the terms and conditions of this Agreement during the Term and for three (3) additional years thereafter. At any time during the term of this Agreement and for three (3) years after its termination or expiration, PURCHASER shall have the right upon reasonable advance notice to SUPPLIER to audit such books and records at its own expense.
- f) SUPPLIER agrees to investigate promptly each product complaint that is either transmitted to SUPPLIER by PURCHASER or that comes directly from consumers to SUPPLIER in order to determine the probable cause of the complaint and to design effective actions to prevent future such occurrences. SUPPLIER agrees to provide PURCHASER with a written report on each such complaint.

13. Confidentiality and Non-Competition.

PURCHASER and SUPPLIER have executed a Mutual Non-Disclosure Agreement (the "Mutual Non-Disclosure Agreement"). The provisions of the Mutual Non-Disclosure Agreement shall apply to the existence of this agreement and any confidential information that the parties exchange in the course of performance of this Agreement.

14. Warranties and Representations. SUPPLIER warrants and represents that:

- a) All of the Products that SUPPLIER manufactures, processes and packages under this Agreement (i) shall be manufactured, processed, and packaged strictly in conformity with applicable standards set forth by the United States Food and Drug Administration, the United States Department of Agriculture, and any other International, Federal, State and local governmental agency having jurisdiction over the manufacturing, processing, and packaging of the Products, and all applicable rules and regulations, as amended, (ii) shall conform strictly to the Specifications, and (iii) shall be fit for human consumption and shall meet all requirements of applicable statutes, rules and regulations of the United States or Canada and any state or local government and shall be of such quality as to protect the PURCHASER trademarks and the goodwill and value pertaining thereto. SUPPLIER further agrees that it will employ its best technology and manufacturing practices in the manufacturing of the Products, but in no event shall such practices be lower than practices generally accepted in the industry.
- b) The shelf life of the Products that SUPPLIER delivers to PURCHASER shall not be less than that indicated in the Specifications for each Product minus up to 2 months or otherwise agreed by PURCHASER.
- c) All equipment and procedures that SUPPLIER uses in the manufacture of the Products do not and will not infringe any valid United States, foreign, or other letters patent, trademark, copyright or other proprietary right of any person not a party to this Agreement.



- d) All materials, ingredients, supplies and packaging materials that SUPPLIER uses in the manufacture of the Products shall be merchantable, of good quality, free from defects and fit for the purpose intended.
- e) The execution of this Agreement and performance of its obligations under this Agreement does not, and will not, abrogate, breach, or conflict with any agreement, mortgage, pledge, or contract to which SUPPLIER is a party or to which the Factory or any of the equipment, fixtures or personal property that the Factory contains is subject.
- f) SUPPLIER, at its own expense, shall take all actions necessary to comply with and shall promptly notify PURCHASER of, keep PURCHASER apprised of and follow any directions of PURCHASER with respect to, any inquiry, investigation, inspection, directives, regulations or any other action by any governmental authority regarding any manufacturing, packaging, quality, labeling or other regulatory matter relating to the Products.
- g) SUPPLIER, at its own expense, shall take all actions necessary to eliminate and shall cause its subcontractors to eliminate any health and safety risk of any Product that is or may be contaminated or adulterated or otherwise poses a health or safety risk. Without limiting the generality of the foregoing, SUPPLIER shall promptly notify PURCHASER and follow all instructions delivered by PURCHASER, if any, with respect to: (i) public announcements regarding such Product, (ii) recalls, withdrawals or seizures of such Product and (iii) any other action requested by PURCHASER in connection with such Product.
- h) SUPPLIER shall be solely and completely responsible for and indemnify and hold PURCHASER and its affiliates harmless from the acts and omissions of those with whom it contracts for any aspect of the manufacture or packaging of Products and SUPPLIER shall cause all such agents to comply with all provisions of this Agreement.
- i) Each delivery under this Agreement shall be a product that, (i) may be lawfully shipped and sold in interstate commerce, (ii) may be lawfully imported into the United States, and (iii) shall conform in all respects to the requirements of all applicable laws and the rules and regulations issued pursuant to such laws and with all representations and warranties contained in this Agreement. In addition to any other remedies contained in this Agreement, if PURCHASER claims a breach of any representation or warranty, PURCHASER may return the subject Products to SUPPLIER and SUPPLIER shall assume all cost of transportation and handling both ways and reimburse PURCHASER for any such costs paid by PURCHASER.

15. Indemnity.

a) Indemnity by SUPPLIER

- i. SUPPLIER shall indemnify and shall hold harmless PURCHASER (including its parent, affiliates and subsidiary companies), its members and any consumer of the Products from and against any and all losses, claims, demands, actions, suits, causes of action, damages, and reasonable expenses (including, but not limited to, reasonable expenses of investigation, settlement, litigation and attorneys' fees incurred in connection



therewith) that any person or entity makes, sustains, or brings against PURCHASER (including its parent, affiliates and subsidiary companies) and/or any of its members or consumer of the Products for the recovery of damages for the injury, illness or death of any person caused or alleged to be caused by the consumption or use by such person of any of the Products ("Damages") to the extent such Damages result from the act or omission of SUPPLIER, its agents or employees, or from the breach by SUPPLIER of any warranty, representation or covenant contained in this Agreement.

- ii. SUPPLIER shall indemnify and shall hold harmless PURCHASER (including its parent, affiliates and subsidiary companies) its members and any consumer of the Products from and against all losses, claims, damages, and reasonable expenses (including, but not limited to, reasonable expenses of investigation, settlement, litigation and attorneys' fees incurred in connection therewith) arising from regulatory actions, including without limitation, recalls by governmental authorities, or recalls by PURCHASER in reasonable anticipation of a governmental action, of any of the Products ("Actions") to which PURCHASER (including its parent, affiliate and subsidiary companies) may become subject, to the extent such Actions result from the act or omission of SUPPLIER, its agents or employees, or from the breach by SUPPLIER of any warranty, representation or covenant contained in this Agreement.

b) Indemnity by PURCHASER

PURCHASER shall indemnify and hold harmless SUPPLIER from and against any and all third-party claims, demands, actions, suits, causes of action, damages, and expenses (including, but not limited to, expenses of investigation, settlement, litigation and attorneys' fees incurred in connection therewith) that any person or entity makes, sustains, or brings against SUPPLIER for the recovery of damages for the injury, illness or death of any person caused or alleged to be caused by the consumption or use by such person of any of the Products that SUPPLIER ships or delivers to or at the direction of PURCHASER pursuant to this Agreement if such injury, illness or death results solely from the breach by PURCHASER or its agents or employees of any warranty, representation or covenant contained in this Agreement. If any person or entity asserts any claim or brings any suit or action against SUPPLIER for which PURCHASER may be required to indemnify SUPPLIER under this Section, SUPPLIER promptly shall notify PURCHASER of such claim or suit. PURCHASER, upon receipt of such notice, shall undertake in connection with SUPPLIER (if SUPPLIER desires) the defense of such suit for the settlement of any such claim at PURCHASER's own cost and expense.

16. General Indemnity Provisions/Limitation of Liability.

- a) The party seeking indemnification hereunder shall provide prompt written notice of its request for indemnification. The party obligated to provide indemnification hereunder shall have the right to control the defense of the Claim. The indemnified party shall provide reasonable assistance. An indemnified party shall have the right to engage counsel to participate in such defense, at the indemnified party's own expense. The indemnifying party may not enter into a binding settlement of an indemnified claim without consultation with the



indemnified party.

- b) Neither party to this Agreement nor any of its affiliates shall, under any circumstances, be liable to the other for any indirect, special, incidental, consequential or punitive damages (including, without limitation, lost business, profits, revenue or goodwill) under any theory or tort, contract, warranty, strict liability or negligence, even if the party has been advised, knew, or should have known of the possibility of such damages.

17. Insurance. Without limiting any other obligation or liability under this Agreement, SUPPLIER shall procure and maintain in full force and effect during the term of this Agreement insurance coverage, at its sole cost and expense, with limits and conditions not less than those specified below:

- a) Commercial General Liability Insurance coverage, including but not limited to premises-operations, broad form property damage, contractual liability, independent contractors, personal injury and advertising injury and liability assumed under an insured contract, and products/completed operations, with PURCHASER (including its parent, affiliates and subsidiary companies) named as additional insureds, with minimum limits of \$1,000,000 per occurrence. Such insurance shall be written on an occurrence basis and shall include coverage for occurrences and/or claims brought in the United States and Canada; and shall cover any claim made for injuries or damages arising during the term of the policy regardless of whether the claim is made after the expiration of the term of the policy;
- b) Workers' Compensation Insurance with statutory limits covering the state(s) in which work is to be performed and including Employer's Liability with limits of not less than \$1,000,000 for Bodily Injury per accident or disease. SUPPLIER is required to carry this insurance regardless of eligibility for waiver or exemption of coverage under state statute, however a qualified self-insured is acceptable or SUPPLIER may maintain an Occupational Accident Policy where allowed by law;
- c) Excess Liability (Umbrella) Insurance with a minimum limit of \$10,000,000. This policy shall provide excess limits for the General Liability and Employer's Liability policies and follow form or at least be as broad in coverage;

All such policies shall (i) be with an insurance carrier with a rating by A.M. Best of A-/VI or higher, (ii) be primary and non-contributory with any similar insurance purchased by PURCHASER, and (iii) include a waiver of subrogation in favor of PURCHASER. Prior to commencement of any production under this Agreement and each year thereafter, SUPPLIER shall, upon request submit to PURCHASER certificate(s) evidencing compliance with all insurance requirements set forth in this Section. SUPPLIER shall notify PURCHASER if any of the above described policies are cancelled or materially changed before the date of the change or the expiration date thereof. Furnishing acceptable evidence of insurance as required hereunder shall not relieve SUPPLIER from any liability or obligation for which it is otherwise liable under the terms of this Agreement, nor is liability limited to the amount of this Agreement.

18. Resale of the Products.



PURCHASER shall have complete and sole discretion as to the resale of the Products, including the pricing of the Products, the advertising, marketing, sales, and distribution of the Products, and the expenses it incurs in connection therewith.

19. Trademarks and Trade Names.

- a) Nothing contained in this Agreement shall be deemed to give SUPPLIER any right, title or interest in or to PURCHASER's trademarks, trade names and trade dress, or the trademarks, trade names or trade dress of any parent, affiliate or subsidiary company of PURCHASER. SUPPLIER may not use any of such trademarks, trade names or trade dress, except as PURCHASER authorizes in writing and any use shall be in strict conformance with PURCHASER's guidelines and subject to PURCHASER's approval in its sole discretion.
- b) SUPPLIER shall not use PURCHASER's name, trademarks, services marks, logos, any description that would reveal PURCHASER's identity or other forms of identification, whether registered or not in any way, including, but not limited to, any advertisements, press releases, announcements, customer lists (including customer lists on any website), conferences and trade shows, or materials of a public or promotional nature or in soliciting other clients, nor make any direct or indirect public reference to this Agreement or any other contract between PURCHASER and SUPPLIER without first obtaining PURCHASER's written permission which may be withheld at PURCHASER's sole discretion. In addition, each party agrees that it shall not negatively reference or disparage the other party.

20. Termination by PURCHASER. PURCHASER may terminate this Agreement:

- a) If SUPPLIER breaches or violates any of the warranties, representations, agreements, covenants or conditions that this Agreement contains or requires and SUPPLIER fails to remedy the breach or violation within thirty (30) days after receipt of written notice from PURCHASER of the breach or violation; or
- b) If SUPPLIER makes an assignment for the benefit of its creditors, commits any act of bankruptcy, has a receiver appointed or otherwise admits of its inability to pay its debts as they mature, or if a private party garnishes its assets or a governmental authority sequesters its assets; or
- c) If SUPPLIER becomes a party to any merger, consolidation, acquisition or other reorganization agreement, or attempts to assign or transfer any interest under this Agreement or enters into a transaction which results in a change of control (collectively "Change of Control") without the prior notification to and approval of PURCHASER, which will not be unreasonably withheld, provided that PURCHASER agrees to give SUPPLIER thirty (30) days advance notice of such termination upon a Change of Control, or
- d) In the event SUPPLIER commits any material breach of the same type for which notice has already been given ("Repetitive Material Breach"), PURCHASER shall have no obligation to provide a cure period for any such Repetitive Material Breach and PURCHASER shall have the right to terminate this Agreement upon written notice to SUPPLIER.



21. Termination by SUPPLIER. SUPPLIER may terminate this Agreement:

- a) If PURCHASER breaches or violates any of the agreements, covenants or conditions that this Agreement requires or contains and PURCHASER fails to remedy the breach or violation within thirty (30) days after receipt of written notice from SUPPLIER of the breach or violation; or
- b) If PURCHASER makes an assignment for the benefit of its creditors, commits an act of bankruptcy, has a receiver appointed or otherwise admits of its inability to pay its debts as they mature.

22. Effect of Termination.

In the event of termination of this Agreement, such termination shall be without prejudice to any rights that may have accrued to SUPPLIER or PURCHASER at the date of termination.

23. Return of Materials.

In the event of termination or expiration of this Agreement, SUPPLIER immediately shall account for and return to PURCHASER all artwork, graphics and label copy that PURCHASER has supplied pursuant to this Agreement. Subject to the Section titled Raw Materials; Ingredients; Packaging, in the event of the termination of a Product, SUPPLIER shall use its best efforts to use, return or otherwise reduce the cost to PURCHASER for any ingredients or raw materials which are not expired.

24. Force Majeure.

If either party is prevented from performing any of its obligations under this Agreement or is substantially delayed in such performance by reason of any cause beyond its control, including acts of God, riots, war, terrorism or other causes of force majeure, it shall be excused from the performance of its obligations affected by the reasons referred to, or from the delay in such performance. If such condition continues for a period of thirty (30) days and substantially interferes with the further performance by either party of this Agreement, either party may terminate this Agreement on fifteen (15) days' written notice to the other party. If this Agreement is terminated under this Section, each party shall bear the costs it has incurred before the date of termination specifically related to the Products not delivered to PURCHASER by the date of termination.

25. Independent Contractors.

The parties are independent contractors and engage in the operation of their own respective businesses. Neither SUPPLIER nor PURCHASER shall be considered the agent of the other for any purpose whatsoever. Neither SUPPLIER nor PURCHASER has any authority to enter into any contracts or assume any obligations for the other or to make any warranties or representations on behalf of the other. Nothing in this Agreement shall be considered to establish a relationship of co-partners or joint ventures between SUPPLIER and PURCHASER. Under no circumstances shall PURCHASER be liable for the debts or obligations of SUPPLIER or for the wages, salaries or benefits of SUPPLIER's employees.



26. Severability.

If any section or portion of this Agreement violates any applicable law, such section or portion shall be inoperative. If a court of competent jurisdiction rules that any provision set forth in this Agreement is unenforceable, then such provision shall be deemed modified to the extent that, in the court's opinion, is necessary to make it enforceable. The remainder of the Agreement shall remain valid and shall continue to bind the parties.

27. Broker's Fees.

Each party warrants to the other that it has not incurred nor will it incur any liability for brokerage fees, finder's fees, agents' commissions or other similar forms of compensation in connection with this Agreement or any transaction that this Agreement contemplates.

28. Successors and Assigns.

This Agreement shall be binding and inure to the benefit of each of the parties and its successors and assigns; however, SUPPLIER may not transfer or assign this Agreement without the prior written consent of PURCHASER, with such consent not being unreasonably withheld.

29. Notices.

Each party shall give in writing by personal delivery or by U.S. mail any notice or communication that such party may or must give under this Agreement or with respect to it. Such notice shall be deemed to have been given or made when personally delivered or deposited in the U.S. mail, first class, certified or registered, postage prepaid, return receipt requested, directed to the respective parties as follows:

- a) Notices to PURCHASER shall be addressed to:
Charlie Brown
Potent Ventures Inc.
734-1055 Dunsmuir Street
Vancouver, British Columbia, Canada
V7X 1B1



b) Notices to SUPPLIER shall be addressed to:

Herbaland Naturals Inc.

Attn: Gina George

13330 Maycrest Way

Richmond, BC V6V 2J7

gina@herbaland.ca

Either party may, from time to time by notice given in accordance with this Section, advise the other of changes of address or additional addresses for the giving of notices.

30. Waiver.

No waiver by either party of any breach, default or violation of any term, warranty, representation, agreement, covenant, condition or provision of this Agreement shall constitute a waiver of any subsequent breach, default or violation of the same or other term, warranty, representation, agreement, covenant, condition or provision.

31. Entire Agreement.

This Agreement, together with the Mutual Non-Disclosure Agreement and any Exhibits attached to this Agreement, contains all of the terms (with the exception of those terms on a duly authorized purchase order that are not inconsistent with the terms and conditions of this Agreement), warranties, representations, agreements, covenants, conditions and provisions the parties have agreed upon with respect to the subject matter of this Agreement and merges and supersedes all prior agreements, understandings and representations relating to such subject matter. This Agreement and any provision hereof shall not be amended, altered or changed except by writing and signed by the parties hereto that specifically states that the parties intend to amend this Agreement.

32. Governing Law.

This Agreement and any claim or dispute arising out of or related to this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the Province of British Columbia. All disputes arising out of or in connection with this Agreement, or in respect of any legal relationship associated therewith shall be referred to and finally resolved by arbitration under the International Commercial Arbitration Rules of Procedure of the Vancouver International Arbitration Centre.

33. Interpretation.

This Agreement shall be construed as a whole in accordance with the fair meaning of its language and, regardless of who is responsible for its original drafting, shall not be construed for or against either party.



The captions of the various sections of this Agreement are included for convenience of reference only and shall in no way affect the construction or interpretation of this Agreement.

34. Survival.

Sections 7 (Ownership Rights of PURCHASER; Changes in Specifications), 12 (Certificate of Analysis/Inspections/Acceptance/Reports/Audits), 13 (Confidentiality and Non-Competition), 14 (Warranties and Representations), 15 (Indemnity), 16 (General Indemnity Provisions/Limitation of Liability), 19 (Trademarks and Trade Names), 26 (Severability), 31 (Entire Agreement), 32 (Governing Law), 33 (Interpretation) shall survive the termination or expiration of this Agreement.

IN WITNESS WHEREOF, each party has executed this Agreement on the day and year first above written.



PURCHASER

By: charlie lamb

Print Name: charlie lamb

Title: President and CEO 02 / 11 / 2022

(Supplier)

By: GINA GEORGE

Print Name: Gina George

Title: Business Development Manager, USA

By: therese O'Hara

Signer ID: 5N11FUJZ6...
07 Feb 2022, 16:02:25, PST

Print Name: Therese O'Hara

Title: Quality Manager



EXHIBIT A PRODUCTS AND PRICING

Product	Count	40,000	70,000	100,000
Low Sugar Snack Gummies	22	\$ 1.48	\$ 1.46	\$ 1.43
2.2 gram gummy (Custom) - Single Serve Pouch - Flavor TBD				
CUSTOMER SUPPLIED PACKAGING OPTION				

Product	Count	8,500		
Low Sugar Snack Gummies	4	\$ 0.32		
2.2 gram gummy (Custom) - Single Serve Pouch - Flavor TBD				
CUSTOMER SUPPLIED PACKAGING OPTION				

CUSTOM TOOLING

SHARK AND BEE SHAPES – PURCHASED BY POTENT VENTURES



Signature Certificate

Envelope Ref: 3a8deb393fd941d417401fc9122f7dd699b062a9



Author: Gina George Creation Date: 07 Feb 2022, 16:00:02, PST Completion Date: 07 Feb 2022, 16:02:25, PST

Document Details:



Name: Herbaland Naturals Supply Agreement_Potent Ventures (SIGNED)

Type:

Document Ref: 379401195839d02e5acd4a0e254e9329e7695381faca9035e081ac5467bf9f47

Document Total 16
Pages:

Document Signed By:

Name: Therese O Hara
Email: Therese@herbaland.ca
IP: 207.194.164.2
Location: RICHMOND, BC (CA)
Date: 07 Feb 2022, 16:02:25, PST
Consent: eSignature Consent Accepted
Security Level: Email

Therese O Hara

Signer ID: 5N11FUIJZ6...
07 Feb 2022, 16:02:25, PST

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Invitation Sent Invitation sent to Therese O Hara on 07 Feb 2022, 16:00:56, PST
Invitation Accepted Invitation accepted by Therese O Hara on 07 Feb 2022, 16:01:48, PST
Signed By Therese O Hara Therese O Hara signed this envelope on 07 Feb 2022, 16:02:25, PST
Executed Document(s) successfully executed on 07 Feb 2022, 16:02:25, PST
Signed Document(s) Link Emailed to Therese@herbaland.ca
Signed Document(s) Link Emailed to gina@herbaland.ca