

**NEONMIND BIOSCIENCES INC.**

as **Vendor**

and

**BETTER PLANT SCIENCES INC.**

as **Purchaser**

---

**ASSET PURCHASE AGREEMENT**

**September 10, 2021**

---

## **ASSET PURCHASE AGREEMENT**

This Asset Purchase Agreement is dated September 10, 2021 between **NeonMind Biosciences Inc.** (the “Vendor”) and **Better Plant Sciences Inc.** (the “Purchaser”).

WHEREAS,

- A. The Vendor owns certain functional food assets which are related to the Vendor’s consumer division; and
- B. The Vendor desires to sell, and the Purchase desires to purchase, certain assets of the Vendor as described below.

### **Article 1 INTERPRETATION**

#### **Section 1.1 Defined Terms.**

Capitalized terms used herein and not otherwise defined have the meanings set forth in Schedule “A”.

#### **Section 1.2 Gender and Number.**

Any reference in this Agreement or any Ancillary Agreements to gender includes all genders. Words importing the singular number only shall include the plural and vice versa.

#### **Section 1.3 Headings, etc.**

The provision of a table of contents, the division of this Agreement into articles and sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

#### **Section 1.4 Currency.**

All references in this Agreement or any Ancillary Agreement to dollars or to \$ are expressed in Canadian currency unless otherwise specifically indicated.

#### **Section 1.5 Accounting Terms.**

All accounting terms not specifically defined in this Agreement are to be interpreted in accordance with IFRS.

#### **Section 1.6 Schedules.**

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

### **Article 2 PURCHASED ASSETS**

#### **Section 2.1 Purchased Assets.**

Subject to the terms and conditions of this Agreement, the Vendor agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor on the Closing Date, effective as of the Effective Time, the following functional food assets which are related to the Vendor’s consumer division:

- A. 4 mushroom coffee products currently being sold in Canada, including existing inventory, raw materials and packaging;
- B. 4 mushroom coffees dietary supplement products currently being sold in the U.S., including existing inventory, raw materials and packaging

(the “**Products**”);

- C. the information and Intellectual Property associated with in 4 applications to Health Canada for Natural Health Numbers, including one which was granted (the “**Applications**”);
- D. the following marketing properties which are related to the NeonMind consumer division:
  - a. Neonmind.com shopify enabled website in Canada and the US, and any associated software and application licenses
  - b. **Instagram** | @neonmindcoffee | [www.instagram.com/neonmindcoffee](http://www.instagram.com/neonmindcoffee)
  - c. **Facebook** | @neonmindcoffee | <https://www.facebook.com/neonmindcoffee/>
  - d. **TikTok** | @neonmindcoffee
  - e. **Pinterest** | [https://www.pinterest.ca/neonmindcoffee/\\_shop/](https://www.pinterest.ca/neonmindcoffee/_shop/)
  - f. All graphics, images, video, written content, consumer data and other data relating to the Products

(the “**Marketing Properties**”);

- E. a non-exclusive license in perpetuity to use the NeonMind brand name and copyright and other Intellectual Property associated with the Products, the Applications and the Marketing Properties (the “**License**”);

together, the Products, the Applications and the Marketing Properties (the “**Purchased Assets**”).

### **Article 3 PURCHASE PRICE**

#### **Section 3.1 Purchase Price and Royalty.**

The consideration payable by the Purchaser to the Vendor for the Purchased Assets is Six Hundred and Forty-Five Thousand Dollars (\$645,000) including GST and all other applicable taxes (the “**Purchase Price**”) plus a royalty of 3% of Net Product Sales payable by the Purchaser to the Vendor, such royalty having a term of 25 years, payable only after cumulative Net Product Sales of over \$1,000,000 are reached by the Purchaser (the “**Royalty**”).

#### **Section 3.2 Payment of the Purchase Price and Royalty**

(1) **Payment.** The Purchase Price payable by the Purchaser will be applied to and set-off against the \$645,000 owing under the Note. Upon payment of the Purchase Price by the Purchaser pursuant to this Section 3.2, all amounts owing under the Note will be satisfied in full.

(2) **Royalty.** Any amounts due and payable in respect of the Royalty shall be paid by the Purchaser to the Vendor within 90 days of the end of each fiscal quarter of the Purchaser and such amounts shall be paid to the Vendor free and clear of all deductions, withholdings, set-offs or counterclaims whatsoever save only as may be required by law.

(3) **Covenant Related to Royalty.** During the term of the Royalty, except with the consent of the Vendor, the Purchaser shall not, directly or indirectly, sell, assign or transfer the License, any Products (or any rights therein) or any other products subject to the Royalty (or any rights therein) unless the acquirer thereof expressly assumes the obligations of the Purchaser in respect of the Royalty provided for in this Agreement.

**Section 3.3 Payment of Sales Tax and Registration Charges on Transfer.**

- (1) The Vendor shall be liable for and shall pay all sales Taxes and all other similar taxes, duties, registration fees or other like charges properly payable upon and in connection with the sale, assignment and transfer of the Purchased Assets from the Vendor to the Purchaser, together with any Taxes payable on the Vendor' net income, profits or gains.
- (2) The Parties shall use commercially reasonable efforts in good faith to minimize (or eliminate) any taxes payable under the *Excise Tax Act* (Canada) in respect of the Closing by, among other things, making such elections and taking such steps as may be provided for under that Act (including, for greater certainty, making a joint election in a timely manner under Section 167 of that Act) as may reasonably be requested by the Purchaser in connection with the Closing.

**Article 4  
VENDOR LIABILITIES**

**Section 4.1 Vendor Liabilities.**

- (1) The Purchaser shall not assume any liabilities of the Vendor with respect to the Purchased Assets arising on or prior to the Closing Date and the Purchaser shall have no obligation to discharge, perform or fulfil, and the Vendor will indemnify the Purchaser from and against, any and all Vendor Liabilities, other than as described in Section 4.2 below. "**Vendor Liabilities**" means any and all liabilities, obligations, and commitments of the Vendor or with respect to the Purchased Assets, whether known, unknown, direct, indirect, absolute, contingent or otherwise or arising out of facts, circumstances or events, in existence on or prior to the Effective Time, including:
  - (a) any assessment or reassessment for income, corporate, capital, sales, excise or other taxes, duties or imposts of any kind whatsoever of the Vendor or, if incurred or accruing due prior to the Closing Date, relating to the Purchased Assets; and
  - (b) any product liability or warranty liability arising at any time in respect of products or services of the Purchased Assets produced or performed on or prior to the Closing Date, even though a claim may be made or filed after the Closing Date.
- (2) The Purchaser shall discharge, perform and fulfil all obligations and liabilities relating to the Purchased Assets arising from and after the Effective Time.

**Section 4.2 Assumption of Contractual Liabilities.**

Notwithstanding anything in this Agreement, the Purchaser does not assume and has no obligation to discharge any liability or obligation under or in respect of any Contract of the Vendor other than the agreement between the Vendor and Cannacopia Therapeutics Inc. ("**Cannacopia**") dated January 29, 2020, for consulting services to be provided by Cannacopia for consideration of \$5,250 per month (the "**Consulting Agreement**"). Within 2 weeks of the Closing Date, the parties shall endeavour to obtain the consent of Cannacopia to assign the Consulting Agreement from the Vendor to the Purchaser. If consent cannot be obtained within 2 weeks of the Closing Date, then the Vendor shall provide 4 months written notice to Cannacopia to terminate the Consulting Agreement and the Purchaser shall make the remainder of payments to Canaccopia pursuant to the Consulting Agreement.

**Article 5**  
**REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

**Section 5.1 Representations and Warranties of the Purchaser.**

The Purchaser represents and warrants as follows to the Vendor and acknowledges and agrees that the Vendor is relying on such representations and warranties in connection with its purchase of the Purchased Assets:

- (a) **Due Incorporation and Corporate Power.** The Purchaser is a corporation incorporated and existing under the laws of British Columbia and has the corporate power and authority to enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party.
- (b) **Corporate Authorization.** The execution and delivery of and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) **No Conflict.** The execution and delivery of and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which it is a party:
  - (i) 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) constitute or result in a violation or breach of, or conflict with, or allow any other Person to exercise any rights under, any of the terms or provisions of its constating documents or by-laws;
  - (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach or violation of, or conflict with or allow any other Person to exercise any rights under, any of the terms or provisions of any Contracts or instruments to which it is a party; and
  - (iii) do not and will not result in the violation of any Laws.
- (d) **Execution and Binding Obligation.** This Agreement and each of the Ancillary Agreements to which the Purchaser is a party have been duly executed and delivered by the Purchaser and constitute legal, valid and binding agreements of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

**Article 6**  
**PRE-CLOSING COVENANTS OF THE PARTIES**

**Section 6.1 Conduct of Business Prior to Closing.**

- (1) During the Interim Period, the Vendor shall conduct the Purchased Assets in the Ordinary Course.
- (2) Without limiting the generality of Section 6.1(1) the Vendor shall:
  - (a) preserve intact its current business organization, keep available the services of agents of the Purchased Assets and and maintain good relations with, and the goodwill of,

suppliers, customers, landlords, creditors, distributors and all other Persons having business relationships with the Vendor in connection with the Purchased Assets;

- (b) subject to applicable Laws, confer with the Purchaser concerning operational matters of a material nature relating to the Purchased Assets;
- (c) retain possession and control of the Purchased Assets and preserve the confidentiality of any confidential or proprietary information of the Purchased Assets;
- (d) not cause or permit to exist a material breach of any representations and warranties of the Vendor contained in this Agreement and to conduct the Purchased Assets in such a manner that on the Closing Date such representations and warranties will be true, correct and complete as if they were made on and as of such date; and
- (e) otherwise periodically report to the Purchaser concerning the state of the Purchased Assets and the Purchased Assets.

#### **Section 6.2 Access for Due Diligence.**

- (1) Subject to applicable Law, during the Interim Period, the Vendor shall (i) upon reasonable notice, permit the Purchaser and its employees, agents, counsel, accountants or other representatives, lenders, potential lenders and potential investors to have reasonable access during normal business hours to (A) the premises of the Vendor, (B) the Purchased Assets, including all Books and Records whether retained by the Vendor or otherwise, (C) all Contracts related to the Purchased Assets, and (D) the senior personnel of the Vendor, so long as the access does not unduly interfere with the ordinary conduct of the Purchased Assets; and (ii) furnish to the Purchaser or its employees, agents, counsel, accountants or other such representatives, lenders, potential lenders and potential investors such financial and operating data and other information with respect to the Purchased Assets and the Purchased Assets as the Purchaser from time to time reasonably requests.
- (2) No investigations made by or on behalf of the Purchaser, whether under Section 6.2 or any other provision of this Agreement or any Ancillary Agreement, will have the effect of waiving, diminishing the scope of, or otherwise affecting, any representation or warranty made in this Agreement or any Ancillary Agreement.

#### **Section 6.3 Actions to Satisfy Closing Conditions.**

- (1) The Vendor agree to take all such reasonable actions as are within their power to control and shall use their commercially reasonable efforts to cause other actions to be taken which are not within their power to control, so as to ensure compliance with all of the conditions set forth in Section 7.1 including ensuring that there has been no material breach of any representations and warranties.
- (2) Subject to Section 6.5, the Purchaser agrees to take all such reasonable actions as are within its power to control and shall use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 7.2 including ensuring that there has been no material breach of any representations and warranties.

#### **Section 6.4 Transfer of the Purchased Assets.**

The Vendor shall take all necessary steps and proceedings to permit good title to the Purchased Assets to be duly and validly transferred and assigned to the Purchaser at the Closing, free of all Liens.

#### **Section 6.5 Filings and Authorizations.**

- (1) Each of the Parties, as promptly as practicable after the execution of this Agreement, shall (i) make, or cause to be made, all filings and submissions under all Laws applicable to it, that are required for it to consummate the purchase and sale of the Purchased Assets in accordance

with the terms of this Agreement, (ii) use its commercially reasonable efforts to obtain, or cause to be obtained, all authorizations necessary or advisable to be obtained by it in order to consummate such transfer, and (iii) use its commercially reasonable efforts to take, or cause to be taken, all other actions which are necessary or advisable in order for it to fulfil its obligations under this Agreement.

- (2) The Parties shall coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with this Section 6.6 including providing each other with advanced copies and reasonable opportunity to comment on all notices and information supplied to or filed with any Governmental Entity (including notices and information which a Party, acting reasonably, considers highly confidential and sensitive which may be provided on a confidential and privileged basis to outside counsel of the other Party), and all notices and correspondence received from any Governmental Entity. To the extent that any information or documentation to be provided by the Vendor to the Purchaser pursuant to this Section 6.6 is competitively sensitive, such information may be provided only to external counsel for the Purchaser on an external counsel only basis.
- (3) Despite Section 6.5(1) and Section 6.5(2) above, the Purchaser is under no obligation to (i) negotiate or agree to the sale, divestiture or disposition by the Purchaser of its or its affiliates' assets, properties or businesses or the Purchased Assets, (ii) negotiate or agree to any form of behavioural remedy including an interim or permanent hold separate order, or any form of undertakings or other restrictions on its or its affiliates' assets, properties or businesses the Purchased Assets, or (iii) take any steps or actions that would, in the sole discretion of the Purchaser, affect the Purchaser's right to own, use or exploit either the Purchased Assets or any of the Purchaser's assets.

#### Section 6.6 **Notice of Untrue Representation or Warranty.**

The Vendor shall promptly notify the Purchaser and the Purchaser shall promptly notify the Vendor, upon any representation or warranty made by it contained in this Agreement or any Ancillary Agreement becoming untrue or incorrect during the Interim Period. Any such notification must set out particulars of the untrue or incorrect representation or warranty and details of any actions being taken by the Vendor or the Purchaser, as the case may be, to rectify that state of affairs. For the purposes of this Section 6.6, each representation and warranty shall be deemed to be given at and as of all times during the Interim Period.

### **Article 7 CONDITIONS OF CLOSING**

#### Section 7.1 **Conditions for the Benefit of the Purchaser.**

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing 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) **Amount owing under Note.** The amount owing under Note with accrued interest is \$645,000.
- (b) **Truth of Representations and Warranties.** The representations and warranties of the Vendor contained in this Agreement or in any Ancillary Agreements were true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and of such date.

- (c) **Performance of Covenants.** The Vendor shall have fulfilled or complied with all covenants contained in this Agreement and in every Ancillary Agreement required to be fulfilled or complied with by it at or prior to the Closing.
- (d) **Consents and Authorizations.** All consents, approvals and waivers will have been made, given or obtained on terms acceptable to the Purchaser, acting reasonably, and will have each been obtained on terms (including undertakings) acceptable to the Purchaser in its sole discretion, and all such consents, approvals, waivers, filings, notifications and authorizations will be in force and will not have been modified.
- (e) **Deliveries.** The Vendor shall deliver or cause to be delivered to the Purchaser all necessary deeds, conveyances, assurances, transfers and assignments and any other instruments necessary or reasonably required to transfer the Purchased Assets to the Purchaser with a good title, free and clear of all Liens.
- (f) **Proceedings.** All proceedings to be taken in connection with the transactions contemplated by this Agreement and any Ancillary Agreement are reasonably 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 of the transactions and the taking of all necessary proceedings in connection therewith.

#### Section 7.2 **Conditions for the Benefit of the Vendor.**

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Vendor and may be waived, in whole or in part, by the Vendor in its sole discretion:

- (a) **Truth of Representation and Warranties.** The representations and warranties of the Purchaser contained in this Agreement or in any Ancillary Agreements were true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and of such date.
- (b) **Performance of Covenants.** The Purchaser shall have fulfilled or complied with all covenants contained in this Agreement and in any Ancillary Agreement required to be fulfilled or complied with by it at or prior to Closing.
- (c) **Proceedings.** All corporate proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement are reasonably satisfactory in form and substance to the Vendor, acting reasonably, and the Vendor shall have received copies of all the instruments and other evidence as it may reasonably request in order to establish the consummation of such transactions and the taking of all corporate proceedings in connection therewith.

### **Article 8 CLOSING**

#### Section 8.1 **Date, Time and Place of Closing.**

The completion of the transaction of purchase and sale contemplated by this Agreement will take place at the offices of the Purchaser at Suite 200, 1238 Homer Street, Vancouver, British Columbia on the Closing Date or at such other place, on such other date and at such other time as may be agreed upon in writing between the Vendor and the Purchaser.



## Section 8.2 Closing Procedures.

Subject to satisfaction or waiver by the relevant Party of the conditions of closing and subject to Section 8.3, on the Closing Date, the Vendor shall deliver actual possession of the Purchased Assets and the instruments of conveyance described in Section 7.1 and upon such deliveries the Purchaser shall pay or satisfy the Purchase Price in accordance with Section 3.3. The transfer of possession of the Purchased Assets shall be deemed to take effect at the Effective Time.

## Section 8.3 Risk of Loss.

If, prior to Closing, all or any material part of the Purchased Assets are destroyed or damaged by fire or any other casualty or are appropriated, expropriated or seized by any Governmental Entity, the Purchaser shall have the option, exercisable by notice in writing given within 4 Business Days of the Purchaser receiving notice in writing from the Vendor of such destruction, damage, expropriation or seizure:

- (a) to reduce the Purchase Price by an amount equal to the cost of repair, or, if destroyed or damaged beyond repair, by an amount equal to the replacement cost of the assets forming part of the Purchased Assets so damaged or destroyed and to complete the purchase, provided that all proceeds of insurance are paid to the Vendor immediately upon receipt; or
- (b) to complete the transaction contemplated in this Agreement without reduction of the Purchase Price, in which event all proceeds of any insurance or compensation for expropriation or seizure will be payable to the Purchaser and all right and claim of the Vendor to any such amounts not paid by the Closing Date will be assigned to the Purchaser; or
- (c) to terminate this Agreement and not complete the purchase, in which case all obligations of the Parties (save and except for their respective obligations under Section 11.2, Section 12.3 and Section 12.5 which will survive) will terminate immediately upon the Purchaser giving notice as required herein.

## Article 9 TERMINATION

### Section 9.1 Termination Rights.

This Agreement may, by notice in writing given prior to or on the Closing Date, be terminated:

- (a) by mutual consent of the Vendor and the Purchaser;
- (b) by either Party if the Closing has not occurred by the end of the day on the Outside Date, provided that a Party may not terminate this Agreement under this clause 9.1(b) if it has failed to perform any one or more of its obligations or covenants under this Agreement to be performed at or prior to Closing and the Closing has not occurred because of such failure; or
- (c) by either Party if after the date of this Agreement any Law is enacted or made (or any Law is amended) that makes the consummation of any of the transactions contemplated by this Agreement illegal or otherwise prohibited or enjoins the consummation of any of the transactions contemplated by this Agreement, and such Law (if applicable) or injunction shall have become final and non-appealable; or
- (d) by either Party if there has been a material breach of any provision of this Agreement by the other Party and such breach has not been cured within 15 days following notice of such breach by the non-breaching Party.

**Section 9.2 Effect of Termination.**

- (1) Each Party's right of termination under this Article 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 limits or affects any other rights or causes of action any Party may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement. If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.
- (2) If this Agreement is terminated pursuant to Section 9.1, all obligations of the Parties under this Agreement will terminate, except that:
  - (a) each Party's obligations under Section 11.2, Section 12.3 and Section 12.5 will survive; and
  - (b) if this Agreement is terminated by a Party because of a breach of this Agreement by the other Party or because a condition for the benefit of the terminating Party has not been satisfied because the other Party has failed to perform any of its obligations or covenants under this Agreement which are reasonably capable of being performed or caused to be performed by such Party, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

**Article 10  
INDEMNIFICATION**

**Section 10.1 Liability for Representations and Warranties.**

The representations and warranties contained in this Agreement and any Ancillary Agreement survive the Closing and continue in full force and effect for a period of 18 months.

**Section 10.2 No Effect of Knowledge.**

The right to indemnification or other remedy of any Party based on the representations, warranties, covenants and obligations contained in this Agreement and any Ancillary Agreement exists notwithstanding the Closing and notwithstanding any investigation or knowledge acquired prior to the Closing.

**Section 10.3 Indemnification in Favour of the Purchaser.**

- (1) The Vendor shall indemnify and save each of the Purchaser and its directors, officers, employees, agents and representatives harmless of and from, and shall pay for, any Damages suffered by, imposed upon or asserted against it or any of them solely as a result of, in respect of, connected with, or arising out of, under, or pursuant to:
  - (a) any breach or inaccuracy of any representation or warranty given by the Vendor contained in this Agreement or any Ancillary Agreement;
  - (b) any failure of the Vendor to perform or fulfil any of its covenants or obligations under this Agreement or any Ancillary Agreement;
  - (c) any Vendor Liabilities;
  - (d) any failure of the Vendor to transfer legal and beneficial ownership of the Purchased Assets to the Purchaser free and clear of all Liens.

**Section 10.4 Indemnification in Favour of the Purchaser.**

- (1) The Purchaser shall indemnify and save each of the Vendor and its directors, officers, employees, agents and representatives harmless of and from, and shall pay for, any Damages

suffered by, imposed upon or asserted against it or any of them solely as a result of, in respect of, connected with, or arising out of, under, or pursuant to:

- (a) any breach or inaccuracy of any representation or warranty given by the Purchaser contained in this Agreement or any Ancillary Agreement;
- (b) any failure of the Vendor to perform or fulfil any of its covenants or obligations under this Agreement or any Ancillary Agreement, including under Section 4.1(2) or Section 4.2.

#### **Section 10.5 Limitations on Indemnification**

- (1) No claim for indemnification under Section 10.3 or Section 10.4 may be brought after the date that is 18 months following the Closing Date.
- (2) Under no circumstances shall the Vendor be liable to the Purchaser for any Damages in respect of an indemnification claim under Section 10.3 to the extent such Damages exceed the Purchase Price.

#### **Section 10.6 Calculation of Damages**

For purposes of (i) determining whether there has been a breach or inaccuracy of any representation or warranty, and (ii) calculating the amount of any Damages that are the subject matter of a claim for indemnification, any reference to “materiality”, “material adverse effect”, or other similar qualification or limitation that is contained in or is otherwise applicable to such representation or warranty or claim for indemnification will be disregarded.

### **Article 11 POST-CLOSING COVENANTS**

#### **Section 11.1 Access to Books and Records of the Purchaser.**

For a period of 3 years from the Closing Date the Purchaser shall retain all original accounting Books and Records relating to the Purchased Assets that are transferred to the Purchaser under this Agreement, but the Purchaser shall not be responsible or liable to the Vendor for any accidental loss or destruction of or damage to any such Books and Records. So long as such Books and Records are retained by the Purchaser pursuant to this Agreement, the Vendor shall have the reasonable right to inspect and make copies (at its own expense) of them upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser. The Purchaser shall have the right to have its representatives present during any such inspection.

#### **Section 11.2 Confidentiality.**

After the Closing, the Vendor will keep confidential all information in its possession or under its control relating to the Purchased Assets, unless such information is or becomes generally available to the public other than as a result of a disclosure by the Vendor in violation of this Agreement.

#### **Section 11.3 Further Assurances.**

From time to time after the Closing Date, each Party shall at the request of any other Party execute and deliver such additional conveyances, transfers and other assurances as may be reasonably required to effectively transfer the Purchased Assets to the Purchaser and carry out the intent of this Agreement and any Ancillary Agreement.

#### **Section 11.4 Access to Financial Records of the Vendor.**

For a period of 3 years from the Closing Date and for all subsequent years in which the Royalty is payable, the Vendor shall retain all original accounting of Vendor Financial Records, but the Vendor shall not be responsible or liable to the Purchaser for any accidental loss or destruction of or damage to any such Vendor Financial Records. So long as such Vendor Financial Records are retained by the Vendor pursuant to this Agreement, the Purchaser shall have the reasonable right to inspect and make

copies (at its own expense) of them upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Vendor. The Vendor shall have the right to have its representatives present during any such inspection.

## **Article 12 MISCELLANEOUS**

### **Section 12.1 Notices.**

Any notice, direction or other communication given regarding the matters contemplated by this Agreement or any Ancillary Agreement (each a **"Notice"**) must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) to the Purchaser at:  
Suite 200, 1238 Homer Street  
Vancouver, British Columbia  
V6B 2Y5

Attention: Penny White

With a copy to:  
Stikeman Elliott LLP  
Suite 1700, 666 Burrard Street  
Vancouver, British Columbia  
V6C 2X8

Attention: Neville McClure  
Telephone: 604 631 1324

- (b) to the Vendor at:  
c/o Wildeboer Dellelce LLP  
Suite 800 - 365 Bay Street  
Toronto, ON M5H 2V1

Attention: Robert Tessarolo

A Notice is deemed to be given and received if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

#### Section 12.2 **Time of the Essence.**

Time is of the essence in this Agreement.

#### Section 12.3 **Announcements.**

No press release, public statement or announcement or other public disclosure (a "**Public Statement**") with respect to this Agreement or the transactions contemplated in this Agreement may be made prior to Closing except with the prior written consent and joint approval of the Vendor and the Purchaser or if required by Law or a Governmental Entity. Where the Public Statement is required by Law or a Governmental Entity, the Party required to make the Public Statement will use its commercially reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the disclosure. After the Closing, any Public Statement by the Vendor may be made only with the prior written consent and approval of the Purchaser unless the Public Statement is required by Law or a Governmental Entity, in which case the Vendor shall use its commercially reasonable efforts to obtain the approval of the Purchaser as to the form, nature and extent of the disclosure.

#### Section 12.4 **Third Party Beneficiaries.**

Except as otherwise provided in Section 10.3 or Section 10.4, the Vendor and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties. Except for the Indemnified Persons, no Person, other than the Parties, is entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. Despite the foregoing, the Vendor acknowledge to each of the Purchaser's Indemnified Persons their direct rights against it under Section 10.3 of this Agreement. To the extent required by law to give full effect to these direct rights, the Vendor and the Purchaser agree and acknowledge that they are acting as agent and/or as trustee of their respective Indemnified Persons. The Parties reserve their right to vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person, including any Indemnified Person.

#### Section 12.5 **Expenses.**

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses incurred in connection with this Agreement, the Ancillary Agreements and the transactions contemplated by them. The costs and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants.

#### Section 12.6 **Amendments.**

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser.

#### Section 12.7 **Waiver.**

No waiver of any of the provisions of this Agreement or any Ancillary Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

#### Section 12.8 **Non-Merger.**

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties will not merge on and will survive the Closing. Notwithstanding the Closing and any investigation made by or on behalf of any Party, the covenants, representations and warranties will continue in full force and effect. Closing will not prejudice any right of one Party against any other Party

in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

**Section 12.9 Successors and Assigns.**

- (1) This Agreement becomes effective only when executed by the Vendor and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Vendor, the Purchaser and their respective successors and permitted assigns.
- (2) Except as provided in this Section 12.9, neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Parties. Upon giving notice to the Vendor, the Purchaser is entitled to assign this Agreement or any of its rights or obligations under this Agreement to any of its affiliates (as such term is defined in National Instrument 45-106), subject to the following three conditions:
  - (a) if the assignment occurs prior to Closing, the assignee must execute and deliver a confidentiality agreement to the Vendor in substantially the same form as the confidentiality agreement executed by the Purchaser;
  - (b) The assignee will become jointly and severally liable with the Purchaser, as a principal and not as a surety, with respect to all of the obligations of the Purchaser, including the representations, warranties, covenants, indemnities and agreements of the Purchaser; and
  - (c) The assignee must execute an agreement confirming the assignment and the assumption by the assignee of all obligations of the Purchaser under this Agreement.
- (3) The Purchaser may assign its rights and obligations under this Agreement, in whole or in part, to any Person that acquires all or substantially all of the assets of the Purchaser or acquires a majority of the Purchaser's issued and outstanding voting securities, whether by way of take-over bid, amalgamation, arrangement, merger or otherwise.

**Section 12.10 Severability.**

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.

**Section 12.11 Governing Law.**

This Agreement is governed by and will be interpreted and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

**Section 12.12 Counterparts.**

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by email or other electronic means is as effective as a manually executed counterpart of this Agreement.

**IN WITNESS WHEREOF** the Parties have executed this Asset Purchase Agreement dated September 10, 2021.

**NEONMIND BIOSCIENCES INC.**

By: */s/ "Robert Tessarolo"*

---

Robert Tessarolo, President & CEO

**BETTER PLANT SCIENCES INC.**

By: */s/ "Penny White"*

---

Penny White, President & CEO

## SCHEDULE "A"

### DEFINITIONS

As used in this Agreement, the following terms have the following meanings:

**"Agreement"** means this asset purchase agreement.

**"Ancillary Agreements"** means all agreements, certificates and other instruments delivered or given pursuant to this Agreement.

**"Applications"** has the meaning specified in Section 2.1.

**"Books and Records"** means all information in any form relating to the Purchased Assets, including books of account, financial and accounting information and records, personnel records, tax records, sales and purchase records, customer and supplier lists, lists of potential customers, referral sources, research and development reports and records, production reports and records, equipment logs, operating guides and manuals, business reports, plans and projections, marketing and advertising materials and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices).

**"Business Day"** means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed for business in Toronto, Ontario.

**"Cannacopia"** has the meaning specified in Section 4.2.

**"Closing"** means the completion of the transaction of purchase and sale contemplated in this Agreement.

**"Closing Date"** means September 10, 2021 or such earlier or later date as the Parties may agree in writing, provided that such date may not be later than the Outside Date.

**"Consulting Agreement"** has the meaning specified in Section 4.2.

**"Contract"** means any agreement, contract, licence, undertaking, engagement or commitment of any nature, written or oral, including any: lease of personal property; unfilled purchase order; forward commitment for supplies or materials entered into in the Ordinary Course; or restrictive agreement or negative covenant agreement.

**"Damages"** means any losses, liabilities, damages or expenses (including legal fees and expenses on a full indemnity basis without reduction for tariff rates or similar reductions) whether resulting from an action, suit, proceeding, arbitration, claim or demand that is instituted or asserted by a third party, including a Governmental Entity, or a cause, matter, thing, act, omission or state of facts not involving a third party.

**"Effective Time"** means 9:00 a.m. (Vancouver time) on the Closing Date.



**“Governmental Entity”** means (i) any governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, tribunal, board, bureau, agency, commissioner or instrumentality, whether international, multinational, national, federal, provincial, state, county, municipal, local, or other; (ii) any subdivision or authority of any of the above; (iii) any stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

**“IFRS”** means international Financial Reporting Standards.

**“Indemnified Person”** means a Person with indemnification rights or benefits under Section 10.3 or Section 10.4 or otherwise under this Agreement.

**“Intellectual Property”** means all domestic and foreign: (i) franchise rights, trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (ii) all franchise rights related to the foregoing; (iii) proprietary and non-public business information, including formulae, recipes, trade secrets, confidential information, know-how, methods, processes, designs, inventions (whether patentable or not), invention disclosures, improvements, discoveries, technology, technical data, schematics, customer lists, and documentation relating to any of the foregoing; (iv) copyrights, copyright registrations and applications for copyright registration; (v) mask works, mask work registrations and applications for mask work registrations; (vi) designs, design registrations, design registration applications and integrated circuit topographies; (vii); patents, applications for patents and reissues, divisions, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (viii) Software; and (ix) any other intellectual property and industrial property.

**“Interim Period”** means the period between the close of business on the date of this Agreement and the Closing Date.

**“Laws”** means any and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity and (iii) to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity.

**“License”** has the meaning specified in Section 2.1.

**“Lien”** means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.

**“Marketing Properties”** has the meaning specified in Section 2.1.

**“Net Product Sales”** means the gross amount invoiced by Purchaser for sales of the Products, any other future mushroom coffee products developed by the Purchaser, or any other products (of any nature) that are marketed or sold under the “Neonmind” brand name (pursuant to the License granted under this Agreement), less: (i) reasonable cash discounts, (ii) rebates and chargebacks, and (iii) sales credits, refunds, returns and allowances accrued

by Purchaser in accordance with IFRS. Such amounts shall be determined from books and records maintained by Purchaser in accordance with IFRS, consistently applied. To the extent that any accrual contemplated by the foregoing clause (iii) is subsequently adjusted in accordance with IFRS, Purchaser shall notify Vendor thereof in writing and the Royalty owing hereunder in respect of the Product Net Sales corresponding to such accrued amounts shall be adjusted accordingly and the next subsequent Royalty payment shall be increased or decreased accordingly.

**“Note”** means the note owed by NeonMind to Better Plant of \$691,245 as at August 31, 2021 for which payment is due on February 28, 2022, of which only \$591,346 shall be owing immediately prior to Closing. With accrued interest of \$53,654 (up to September 9, 2021), the total amount owing prior to Closing is \$645,000.

**“Notice”** has the meaning specified in Section 12.1.

**“Outside Date”** means (a) October 30, 2021; or (b) such earlier or later date as the Parties may agree in writing.

**“Parties”** means the Vendor and the Purchaser and any other Person who may become a party to this Agreement.

**“Person”** or **“Persons”** means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

**“Products”** has the meaning specified in Section 2.1

**“Public Statement”** has the meaning specified in Section 12.3.

**“Purchase Price”** has the meaning specified in Section 3.1.

**“Purchased Assets”** has the meaning specified in Section 2.1.

**“Purchaser”** means Better Plant Sciences Inc.

**“Royalty”** has the meaning specified in Section 3.2.

**“Taxes”** means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any

amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

**“Vendor Liabilities”** has the meaning specified in Section 4.1.

**“Vendor”** means NeonMind Biosciences Inc.

**“Vendor Financial Records”** means all financial information in any form relating to the Purchased Assets after the Closing Date, including books of account, financial and accounting information and records, tax records, sales and purchase records, and all other documents relating to calculation of the Royalty.

