

DOSEOLOGY SCIENCES INC.
1250, 639 – 5th Ave. SW
Calgary, AB T2P 0M9

July 15, 2020

CONFIDENTIAL

Pendulum Craft Corp.
280 - 2475 Dobbin Road
West Kelowna BC V4T 2E9

Attention: Shane Gordon, Chief Executive Officer

Dear Mr. Gordon:

Re: Acquisition of Pendulum Craft Corp. (the “Transaction”)

This letter (this “**Agreement**”) sets out the terms and conditions upon which Doseology Sciences Inc. (“**Doseology**”) is prepared to make an offer (the “**Offer**”) for all of the outstanding common shares of Pendulum Craft Corp. (“**Pendulum**”) and in connection therewith, except as set out herein, permit the exchange of all presently outstanding options and warrants convertible into common shares of Pendulum into corresponding options and warrants to purchase common shares of Doseology (“**Doseology Shares**”) on the same or substantially similar terms or permit the exercise of all presently outstanding options and warrants convertible into common shares of Pendulum.

1. Offer

- (a) Subject to the provisions hereof, Doseology will, as soon as reasonably practicable, but in any event not later than August 1, 2020, make an offer (as amended, extended or varied from time to time, the “**Offer**”) to purchase all of the outstanding common shares of Pendulum (“**Pendulum Shares**”) (and in connection therewith permit the holders of presently outstanding warrants and options to acquire Pendulum Shares to exchange their warrants and options for warrants and options to purchase Doseology Shares on substantially the same terms including the vesting or permit the exercise of presently outstanding warrants to acquire Pendulum Shares prior to the Closing Date (as defined herein) to allow such holders of warrants to tender their Pendulum Shares to the Offer following the exercise of such warrants, subject to the terms and conditions hereof) on the basis of one-half (0.5) (the “**Exchange Ratio**”) Doseology Share for each Pendulum Share (or on the basis of 0.5 Doseology option or warrant, as the case may be, for an option or warrant to acquire an Pendulum Share).
- (b) **The Doseology Shares received by holders of Pendulum Shares pursuant to the Offer will be subject to a hold period of four months and a day from the date the Corporation becomes a reporting issuer under the securities laws of any province or territory of Canada (which it has no obligation to become), during which time Doseology shareholders may not trade the Common Shares without filing a prospectus or being able to rely on one of the limited exemptions from the requirement to file a prospectus under applicable securities laws; and any certificates or electronic records representing the Doseology Shares will bear a legend indicating that the resale of such securities is so restricted in the following form:**

"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: [THE DISTRIBUTION DATE], AND (ii) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY"

And, additionally, in any event, any certificates representing eighty five (85%) percent of the Doseology Shares received by holders of Pendulum Shares pursuant to the Offer shall bear a legend such that 10% of the Doseology Shares thereby received shall not be able to be traded before the date that is three (3), six (6), nine (9), twelve (12), fifteen (15), eighteen (18) and twenty-one (21) months, respectively, following the date of listing of the Doseology Shares on a recognized Canadian stock exchange with the final 15% of the Doseology Shares received by holders of Pendulum Shares pursuant to the Offer able to be traded after the date that is twenty-four (24) months following the date of listing of the Doseology Shares on a recognized Canadian stock exchange;

- (c) The Offer will be made in accordance with all applicable securities laws in Canada and applicable corporation laws (collectively the “**Applicable Laws**”). Subject to the terms of the Offer, Doseology shall take-up and pay for Pendulum Shares validly deposited (not withdrawn) under the Offer, no later than the third business day after the expiry date of the Offer (the “**Expiry Date**”) or such other date as agreed to by Pendulum and Doseology (the “**Closing Date**”). Subject to completing the Offer, Doseology issued or granted all applicable warrants and options to purchase Doseology Shares in connection with the exchange of Pendulum Warrants (as defined herein) and Pendulum Options (as defined herein) as contemplated herein no later than Expiry Date or the Closing Date.
- (d) The Offer will be substantially in the form as set forth in **Schedule C**. In addition to the other conditions set forth therein, the completion of the Offer will be conditional upon not less than 662/3% of the outstanding Pendulum Shares (on a non-diluted basis) being tendered under and not withdrawn from the Offer by the expiry time specified therein (the “**Expiry Time**”) as provided in **Schedule C** (the “**Minimum Condition**”) and those other conditions as are set forth in **Schedule A**; and

Doseology may, in its sole discretion, amend, extend, vary or waive any term or condition of the Offer for Doseology's benefit, provided that Doseology shall not, without the consent of Pendulum, waive or reduce the Minimum Condition, impose additional conditions to the Offer, decrease or change the consideration to be paid for each Pendulum Share, or make any other change in the Offer which is materially adverse to the holders of the Pendulum Shares (and for which purpose, an extension of the Offer, an increase in the consideration payable under the Offer or waiver of a condition (other than a reduction of the Minimum Condition) will not be considered materially adverse).

- (e) Shareholders of Pendulum shall be entitled to make an income tax election, pursuant to subsection 85(1) or 85(2) of the Tax Act, as applicable (and the analogous provisions of provincial or territorial income tax law) by providing two signed copies of the necessary election forms to Doseology within 120 days following the Expiry Time, duly completed with the details of the number of Pendulum Shares transferred to Doseology and the applicable agreed amount or amounts for the purposes of such election. Thereafter, subject to the election forms complying with the provisions of the Tax Act (or applicable provincial or territorial income tax law), the forms will be signed by Doseology and returned to such Pendulum shareholder within 30 days after the receipt thereof by Doseology for filing with the Canada Revenue Agency (or the applicable provincial or territorial taxing authority). Doseology will not be responsible for the proper completion of any election form and, except for the obligation of Doseology to so sign and return duly completed election forms which are received by Doseology within 120 days of the Expiry Time, Doseology will not be responsible for any taxes, interest or penalties resulting from the failure by a shareholder to properly complete or file the election forms in the form and manner and within the time prescribed by the *Income Tax Act* (Canada) (or any applicable provincial or territorial legislation). In its sole discretion, Doseology may choose to sign and return an election form received by it more than 120 days following the Expiry Time, but Doseology will have no obligation to do so.
- (f) The parties agree that the holders of outstanding options to purchase Pendulum Shares (“**Pendulum Options**”) may, but are not required to, exercise such Pendulum Options (effective immediately prior to the Expiry Time and conditional upon the subsequent consummation of the Offer and are permitted, but not required, to exercise such Pendulum Options).

2. Conditions to the Obligation to Make and/or Complete the Offer

- (a) The obligation of Doseology to make the Offer is subject to the prior satisfaction of the following conditions:
- (i) Doseology shall have completed its due diligence of Pendulum to its satisfaction, acting reasonably by July 20, 2020 (or such later date as may be mutually agreeable between the parties hereto);
 - (ii) the Pendulum minute book shall have been updated and completed to the satisfaction of Doseology's legal counsel, acting reasonably; and
 - (iii) Pendulum shall have obtained lock-up agreements in the form mutually agreeable between the parties hereto from the officers, directors and certain significant shareholders of Pendulum, holding in an aggregate at least 662/3% of the outstanding Pendulum Shares.
- (b) The obligation of Doseology to complete the Offer is subject to the prior satisfaction of the following conditions:
- (i) the holders of all outstanding options to purchase Pendulum Warrants ("**Pendulum Warrants**") shall have agreed to the exchange (based on the Exchange Ratio and corresponding adjustments to the exercise price) of such Pendulum Warrants for options to purchase Doseology Shares on substantially the same terms as the Pendulum Warrants, including the vesting thereof, or alternatively, the exercise (or termination) of such Pendulum Warrants prior to the Expiry Date;
 - (ii) the holders of all outstanding options to purchase Pendulum Shares ("**Pendulum Options**") shall have agreed to the exchange (based on the Exchange Ratio and corresponding adjustments to the exercise price) of such Pendulum Options for options to purchase Doseology Shares on substantially the same terms as the Pendulum Options, including the vesting thereof, or alternatively, the exercise (or termination) of such Pendulum Options prior to the Expiry Date;
 - (iii) Pendulum shall not be in breach in any material respect of any covenant, agreement or representation and warranty contained in this Agreement;
 - (iv) no event or occurrence shall have occurred which, in the opinion of Doseology, acting reasonably, makes it impossible or unlikely that any of the conditions for the benefit of Doseology contained in the Offer set forth in **Schedule A – Part A** will be satisfied;
 - (v) the directors of Pendulum shall have recommended (and not modified or changed such recommendation) that shareholders of Pendulum accept the Offer;
 - (vi) Pendulum shall provide to Doseology a certified resolution of the directors of Pendulum approving the transfer of any or all of the outstanding Pendulum Shares to Doseology upon any such Pendulum Shares being taken-up pursuant to the Offer;
 - (vii) all necessary regulatory, court and third party consents (including any consents needed in connection with a change of control of Pendulum), orders, approvals and authorizations as may be required, in respect of the Offer shall have been received, all such consents and approvals to be on terms and conditions acceptable to Doseology, acting reasonably;
 - (viii) there shall not have been a tender or exchange for some or all of the Pendulum Shares made or publicly proposed to be made by another person or has been publicly disclosed or Doseology shall have learned that the shares held by any shareholder of Pendulum, as of the date hereof, who hold more than 10% of the issued and outstanding shares of Pendulum at such date, shall have been acquired or agreed to be acquired by another person or by persons acting jointly or in concert therewith;

- (ix) there shall not have been any threatened, instituted or pending action or proceeding before any court or governmental agency or other regulatory or administrative agency or commission or by any other person which materially and adversely affects Pendulum, directly or indirectly, other than as previously disclosed by Pendulum to Doseology;
- (x) except as otherwise contemplated herein, there shall not have occurred after the date hereof any change (or any condition, event or development involving a prospective change) in the business, operations, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liability, whether contractual or otherwise, of Pendulum which, in the sole judgment of Doseology, acting reasonably, is materially adverse to Pendulum;
- (xi) each director, officer, insider or other non-arm's length party, or any associates or affiliates thereof that is indebted to Pendulum shall have agreed to repay such indebtedness on or prior to the Expiry Time on terms and conditions satisfactory to Doseology; and
- (xii) Doseology shall be satisfied that the Offer may be made on a basis that is exempt from the take-over bid requirements for Applicable Laws and the issuance of the Pendulum Shares were made in compliance with Applicable Laws.

The foregoing conditions are for the exclusive benefit of Doseology and may be waived by Doseology, in whole or in part, in its sole discretion, at any time and from time to time, without prejudice to any other rights it may have. There are also a number of conditions to completion of the Offer set forth in **Schedule A** hereto.

3. Support of Transaction

Pendulum represents that the directors of Pendulum have approved the entering into of this Agreement and have determined to recommend acceptance of the Offer by the holders of Pendulum Shares, provided that the Offer does not differ from Schedule C. Pendulum shall include in the Offer when mailed to holders of Pendulum Shares correspondence to such holders which shall include the foregoing recommendation. Pendulum agrees that it will assist in delivering details of the Offer to all holders of the Pendulum Shares, including the recommendation of the directors of Pendulum to holders of Pendulum Shares. Pendulum agrees to provide a copy of all such correspondence to Doseology prior to the mailing thereof. Notwithstanding the foregoing provisions of this section, the directors of Pendulum may withdraw, modify or change any recommendation regarding the Offer if, in the opinion of the directors of Pendulum, acting reasonably and upon written advice of counsel or advice of outside counsel, such withdrawal, modification or change is required in discharge of the fiduciary duties of the directors of Pendulum.

The obligation of the directors of Pendulum to support the Offer and to authorize completion of the Transaction including, without limitation, the transfer of the Pendulum Shares to Doseology, is subject to the prior satisfaction of the following conditions:

- (a) Pendulum shall have completed its due diligence of Doseology to its satisfaction, acting reasonably by July 20, 2020 (or such later date as may be mutually agreeable between the parties hereto);
- (b) the Doseology minute book shall have been updated and completed to the satisfaction of Pendulum's legal counsel, acting reasonably;
- (c) Pendulum shall have obtained lock-up agreements in the form mutually agreeable between the parties hereto from the officers, directors and certain significant shareholders of Pendulum, holding in an aggregate at least 662/3% of the outstanding Pendulum Shares;
- (d) effective on the Closing Date, the Pendulum Warrants shall be exchanged (based on the Exchange Ratio and corresponding adjustments to the exercise price) for warrants to purchase Doseology Shares on substantially the same terms as such Pendulum Warrants, including the vesting thereof;

- (e) effective on the Closing Date the Pendulum Options shall be exchanged (based on the Exchange Ratio and corresponding adjustments to the exercise price) for options to purchase Doseology Shares on substantially the same terms as the Pendulum Options, including the vesting thereof;
- (f) Doseology shall have received all necessary regulatory, court and third party consents, orders, approvals and authorizations as may be required in respect of the Offer;
- (g) Doseology shall not be in breach in any material respect of any covenant, agreement or representation and warranty contained in this Agreement;
- (h) no event or occurrence shall have occurred which, in the opinion of Pendulum, acting reasonably, makes it impossible or unlikely that any of the conditions for the benefit of Pendulum contained in the Offer set forth in **Schedule A – Part B** will be satisfied;
- (i) Doseology shall provide to Pendulum a certified resolution of the directors of Doseology approving the Transaction and all the applicable matters in this agreement, including the issuance of the Doseology shares and options and warrants to purchase Doseology Shares (and the underlying Doseology Shares) contemplated herein;
- (j) Pendulum shall have received all mutual releases as set forth in this Agreement;
- (k) Doseology shall have taken up and paid for the Pendulum Shares by no later than the third business day after the Expiry Date, provided the conditions to completion of the Offer have been satisfied or waived by Doseology, acting reasonably; and
- (l) Doseology shall have issued or granted all applicable warrants and options to purchase Doseology Shares in connection with the exchange of Pendulum Warrants and Pendulum Options as contemplated herein by no later than the third business day after the Expiry Date, provided the conditions to completion of the Offer have been satisfied or waived by Doseology, acting reasonably.

The foregoing conditions are for the exclusive benefit of Pendulum and may be waived by Pendulum, in whole or in part, in its sole discretion, at any time and from time to time, without prejudice to any other rights it may have.

4. Steps to be Undertaken by Pendulum and Doseology

- (a) Contemporaneously with execution of this Agreement, Pendulum shall cause to be delivered to Doseology, a certified list (in paper and electronic form, if available) made up to a date not more than two business days before the date of the Offer, setting out a list of registered holders of Pendulum Shares or other rights to acquire Pendulum Shares, as and when reasonably requested by Doseology, until the Expiry Date. The list of shareholders shall include the names of the registered shareholders, the number of shares owned by each and the corresponding certificate number, and the address of each shareholder shown on the records of Pendulum. Pendulum shall assist Doseology and Doseology's depositary under and in connection with the Offer and shall from time to time furnish Doseology with such additional information, including updated or additional lists of shareholders (including lists of beneficial shareholders), mailing labels and lists of securities positions, and other assistance as Doseology may reasonably request in order to be able to communicate the Offer to the holders of the Pendulum Shares and to such other persons as are entitled to receive the Offer under Applicable Laws. Pendulum shall also make such of its executive officers available for meetings with Pendulum's shareholders as Doseology may reasonably request.
- (b) Contemporaneously with execution of this Agreement, Doseology shall cause to be delivered to Pendulum, a certified list (in paper and electronic form, if available) made up to a date not more than two business days before the date of the Offer, setting out the number of issued and outstanding Doseology Shares and the number and terms (including exercise price, vesting and expiry date) of all securities or other rights, including contract rights for the issuance of Doseology shares or convertible securities, giving the holder

the right to acquire Doseology Shares, and Doseology shall update such list as and when any events or changes occur making the list inaccurate or when may be reasonably requested by Pendulm, until the Expiry Date.

5. Representations

Pendulm represents and warrants the matters as set forth in **Part 1 of Schedule B** hereto.

Doseology represents and warrants the matters as set forth in **Part 2 of Schedule B** hereto.

6. Covenants

6.1 Each of Pendulm and Doseology agrees that, from and including the date hereof until termination of this Agreement, unless the other party agrees otherwise in writing, acting reasonably or as otherwise expressly contemplated by this Agreement:

- (a) except as otherwise permitted in this Agreement, its business shall be conducted only in the usual and ordinary course of business consistent with past practices and each party shall consult with the other party in respect of its ongoing business and affairs and keep the other party apprised of all material developments relating thereto;
- (b) it will not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its shares owned by any person; (iii) issue (other than on exercise of currently outstanding warrants as represented in **Schedule B** hereto), grant, sell or pledge or agree to issue, grant, sell or pledge any shares, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire its shares (except for Doseology, with respect to the current financing consisting of up to \$5 million Doseology Shares at an issue price of \$0.25 per share or upon the exercise of outstanding options or warrants to acquire Doseology Shares); (iv) redeem, purchase or otherwise acquire any of its outstanding shares or other securities, except as permitted hereunder; (v) split, combine or reclassify any of its shares; (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization; or (vii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing, except as otherwise permitted herein;
- (c) it will not, directly or indirectly do any of the following other than pursuant to commitments entered into prior to the date of this Agreement and disclosed to the other party in writing: (i) sell, pledge, dispose of or encumber any assets except for production in the ordinary course of business; (ii) expend or commit to expend more than \$200,000 individually or \$500,000 in the aggregate with respect to any capital expenses; (iii) expend or commit to expend any amounts out of the ordinary course in respect of operating expenses; (iv) reorganize, amalgamate, merge or otherwise continue with any other person, corporation, partnership or other business organization whatsoever; (v) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof, or, except for investments in securities made in the ordinary course of business, make any investment either by purchase of shares or securities, contributions of capital, property transfer, or, purchase of any property or assets of any other individual or entity, in each case having a value in excess of \$500,000; (vi) incur any indebtedness for borrowed money or any other material liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for, the obligation of any other individual or entity, or make any loans or advances; (vii) pay, discharge or satisfy any material claims, liabilities or obligations other than disclosed in writing to the other party or reflected or reserved against in its financial statements for the most recently completed financial period; (viii) enter into any consulting or contract operating agreement that could result in a payment or commitment to pay (in cash or other consideration) more than \$100,000 or that cannot be terminated on thirty (30) days or less notice without penalty; or (ix) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;

- (d) except as disclosed in writing to the other party, will not grant to any officer, director, employee, consultant, contractor or other person an increase in compensation in any form, grant any general salary increase, or make any loan to any officer, director, employee, consultants, contractor or other person, or take any action with respect to the grant of any arrangements for severance or termination pay with any officer, employee, consultant, contractor or other person arising from the Offer or a change of control of Pendulum or the entering into of any employment agreement or consulting agreement with, any officer, director, employee, consultant, or contractor or with respect to any increase of benefits payable under its current severance or termination pay policies;
- (e) will not adopt or amend or make any contribution to any bonus, profit sharing, option, pension, retirement, deferred compensation, insurance incentive compensation, other compensation or other similar plan, agreement, trust, fund or arrangements for the benefit of employees, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (f) it shall promptly notify the other party in writing of any material change (actual, anticipated, contemplated or, to his knowledge threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise;
- (g) if Doseology takes up and pays for Pendulum Shares pursuant to the Offer, and thereby acquires at least 66 2/3% of the outstanding Pendulum Shares, Pendulum will use its reasonable best efforts, at the expense of Doseology, to enable Doseology to acquire the balance of the Pendulum Shares as soon as possible by way of arrangement, amalgamation, merger, realization, consolidation, recapitalization or other type of acquisition transaction for consideration per Pendulum Share consisting of the same kind and in an amount not less than the consideration paid pursuant to the Offer (provided that nothing herein shall be construed to prevent Doseology from acquiring, directly or indirectly, additional Pendulum Shares in privately negotiated transactions, in another take-over bid, tender, exchange offer or otherwise in accordance with Applicable Laws (including by way of compulsory acquisition) following completion of the Offer);
- (h) promptly upon Doseology acquiring at least 66 2/3% of the outstanding Pendulum Shares, Pendulum shall use its reasonable best efforts to cause the resignation of such directors and officers of Pendulum as Doseology may specify and to fill the resulting vacancies with designees of Doseology and Pendulum shall cooperate with Doseology to provide an orderly transition of control and management;
- (i) except as otherwise permitted by this Agreement, Pendulum will use its reasonable best efforts to cause all the holders of Pendulum Shares to tender, and not withdraw, their Pendulum Shares pursuant to the Offer;
- (j) Pendulum will use commercially reasonable efforts to ensure that all outstanding options or warrants to purchase Pendulum Shares are either exchanged, exercised, terminated, expired or surrendered prior to the Closing Date provided that Pendulum shall not pay any amount in consideration therefore without the prior approval of Doseology, and shall not make any amendments to outstanding warrants without the prior written consent of Doseology;
- (k) Pendulum, and the directors of Pendulum, shall not permit any transfer of Pendulum Shares that would result in the Offer not being exempt from the takeover bid rules of Applicable Laws at a time when Doseology is in the position to take up Pendulum Shares pursuant to the Offer;
- (l) on the Closing Date, each of Pendulum and Doseology shall provide to the other party:
 - (i) a certificate of the President or Chief Executive Officer in a form satisfactory to the other party certifying that:
 - (A) it has complied with and satisfied all terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Date; and

- (B) its representations and warranties set forth in this Agreement are true and correct as at the Closing Date, as if made at such time; and
 - (C) as to the number of outstanding securities (including all outstanding securities or rights convertible or exercisable into common shares of Doseology and Pendulum, as the case may be) as at the Closing Date; and
 - (D) upon closing of the Transaction, Doseology shall have issued or granted all applicable warrants and options to purchase Doseology Shares in connection with the exchange of Pendulum Warrants and Pendulum Options as contemplated herein; and
 - (E) in the case of Pendulum, that the number of holders of Pendulum Shares (as defined for purposes of applicable securities legislation) (including, after giving effect to exercise of outstanding options or other rights) and the number of registered and beneficial holders of Pendulum Shares is not more than 50; and
- (ii) in the case of Pendulum, a certified resolution of the directors of Pendulum approving the transfer of all of the outstanding Pendulum Shares to Doseology pursuant to the Offer;
- (m) except as permitted by this Agreement, it shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to the Expiry Date or termination of this Agreement, whichever first occurs; and
- (n) it shall promptly notify the other party in writing of any material change (actual, anticipated, contemplated or, to its knowledge, threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by such party in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and it shall in good faith discuss with the other party any change in circumstances (actual, anticipated, contemplated, or to its knowledge threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other party pursuant to this provision.

Doseology agrees that, from and including the date hereof until the termination of this Agreement, unless Pendulum agrees otherwise in writing, Doseology shall use commercially reasonable efforts to consummate the Offer, subject only to the terms and conditions hereof and thereof.

6.2 Doseology acknowledges that certain shareholders have entered into lock-up agreements pursuant to Section 2(a)(iii) in their capacity as holders of Pendulum Shares and that having done so does not derogate from the discharging of their duties as directors and/or officers of Pendulum. It is further acknowledged that nothing contained herein or in the lock-up agreements shall prevent any director or officer of Pendulum from discharging his legal or fiduciary obligations as a director or officer, subject to compliance with this Agreement.

7. Access to Information and Transition

Each party agrees to provide to the other party with all information relating to its business and affairs as may reasonably require in connection with this matter and shall cooperate to provide an orderly transition of control. To the extent that it is not restricted from doing so pursuant to confidentiality or other restrictions (which it will use its best efforts to obtain a waiver or consent from) each party shall provide access to its offices, to officers and employees during normal business hours on reasonable notice following the acceptance of this agreement and the officers of each party shall consult with the officers of the other party (as they may reasonably request) in respect of the day-to-day operations of such party. Each party will conduct itself so as to keep the other party fully informed as to its business, operations and affairs and as to the decisions required with respect to the most advantageous methods of exploring, operating and producing from its assets and shall cooperate with the other party in respect thereof. Each party shall provide to the other party information which will allow such party to quickly and

efficiently integrate its business and affairs with the other party on completion of the Offer and in connection therewith shall permit:

- (a) its representatives to have reasonable access to the other party's premises, records, employees and contractors;
- (b) its representatives to interview employees and contractors of the other party for the purpose of determining which employees and contractors will be retained after completion of the Offer; and
- (c) its representatives to be informed of the operations of the other party.

8. Disclosure

No disclosure or announcement, public or otherwise, in respect of this Agreement or the Transaction contemplated herein will be made by any party hereto or its representatives without the prior agreement of the other party as to timing, content and method, hereto, provided that the obligations herein will not prevent Doseology from making, after consultation with the other parties, such disclosure as its counsel advises is required by applicable securities law or the rules and policies of the Canadian Securities Exchange.

9. Other Transactions

- (a) Pendulm shall immediately cease and cause to be terminated all existing discussions and negotiations (including, without limitation, through any advisors or other parties on its behalf), if any, with any parties conducted before the date of this Agreement with respect to any Acquisition Proposal (as defined below) and if asked to do so by Doseology, shall immediately request the return or destruction of all information provided to any third parties who have entered into a confidentiality agreement with Pendulm or Doseology, as the case may be, relating to an Acquisition Proposal and shall use all reasonable commercial efforts to ensure that such requests are honoured;
- (b) Neither party shall directly or indirectly, nor authorize or permit any of the officers, directors or employees of the party or any financial advisor, expert or other representative (collectively, "**Representatives**") retained by any of them to:
 - (i) solicit, initiate or encourage (including, without limitation, by way of furnishing information or entering into any form of agreement, arrangement or understanding) any inquiry or the making of any proposal to the company or affiliates or its shareholders from any person which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions): (A) an acquisition from the company or its shareholders of any securities of the party (other than on exercise of currently outstanding warrants or options or other rights as represented in **Schedule B** hereto); (B) any acquisition of a substantial amount of assets of any of a party; (C) an amalgamation, arrangement, merger, or consolidation of a party; or (D) any take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution, reorganization into a royalty trust or income fund or similar transaction involving a party or any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Offer or which would or could reasonably be expected to materially reduce the benefits to the other party under this Agreement or the Offer (any such inquiry or proposal in respect of any of the foregoing being an "**Acquisition Proposal**");
 - (ii) enter into or participate in any discussions or negotiations regarding an Acquisition Proposal, or furnish to any other person any information with respect to the business, properties, operations, prospects or conditions (financial or otherwise) of the party in connection with an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other person to do or seek to do any of the foregoing; or

- (iii) waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any rights or other benefits of the party under confidentiality information agreements, including, without limitation, any “standstill provisions” thereunder;

provided, however, that notwithstanding any other provision hereof, Pendulum or Doseology, as the case may be, and its officers and directors and its advisers may engage in discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of this Agreement, by the party or any of its Representatives) seeks to initiate such discussions or negotiations and, subject to execution of a confidentiality agreement in such form acceptable to Doseology or Pendulum, as the case may be, acting reasonably, may furnish such third party information concerning the party and its business, properties and assets, in each case if, and only to the extent that:

- (A) the third party has first made a written bona fide Acquisition Proposal which the board of directors of party determines in good faith: (x) that funds or other consideration necessary for the Acquisition Proposal are or are likely to be available; (y) (after consultation with its financial advisor) would, if consummated in accordance with its terms, result in a transaction financially superior for shareholders of the party than the transaction contemplated by this Agreement; and (z) after receiving the written advice of outside counsel, that the taking of such action is necessary for the board of directors in discharge of its fiduciary duties under applicable law; and
- (B) prior to furnishing such information to or entering into discussions or negotiations with such person or entity, the party shall provide prompt notice to the other party to the effect that it is furnishing information to or entering into discussions or negotiations with such person or entity together with a copy of the confidentiality agreement referenced above and if not previously provided to the other party, copies of all information provided to such party concurrently with the provision of such information to such party. Pendulum or Doseology, as the case may be, shall notify Doseology or Pendulum, as the case may be, orally and in writing of any inquiries, offers or proposals with respect to an Acquisition Proposal (including without limitation, the terms and conditions of any such proposal, the identity of the person making it, if not previously provided to the other party, copies of all information provided to such party and all other information reasonably requested by the other party), within 24 hours of the receipt thereof, shall keep the other party informed of the status and details of any such inquiry, offer or proposal and answer Doseology’s or Pendulum’s, as the case may be, questions with respect thereto;
- (c) Pendulum or Doseology, as the case may be, shall give Doseology or Pendulum, as the case may be, three business days advance notice of any agreement (the “**Proposed Agreement**”), other than a confidentiality agreement contemplated by paragraph 9(b) hereof, to be entered into with any person making an inquiry, offer or proposal with respect to an Acquisition Proposal and in the case of Pendulum, Pendulum shall give Doseology an opportunity of not less than three business days to amend this Agreement to provide at least as favourable or more favourable terms than those to be included in the Proposed Agreement and Pendulum agrees to negotiate in good faith with Doseology in an effort to enter into such amendment (and in particular, Pendulum covenants to provide Doseology a copy of the Proposed Agreement and to keep Doseology apprised of all developments relating thereto at least three business days prior to the execution thereof by Pendulum). In the event Doseology agrees to amend this Agreement as provided above within such three business day period, Pendulum covenants to not enter into the Proposed Agreement.

Pendulum shall ensure that its Representatives are aware of the provisions of this paragraph 9, and Pendulum shall be responsible for any breach of this paragraph 9 by its Representatives.

10. Additional Agreements

Subject to the terms and conditions herein provided and to fiduciary obligations under applicable law, each of the parties hereto agrees to use all reasonable efforts to take, or cause to be taken, all action and to do, or cause to

be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement and to cooperate with each other in connection with the foregoing, including using reasonable efforts: (i) to obtain all necessary waivers, consents and approvals from other parties to material agreements, leases and other contracts or agreements (including, without limitation, the agreement of any persons as may be required pursuant to any agreement, arrangement or understanding relating to Pendulum's operations); (ii) to obtain all necessary consents, approvals and authorizations as are required to be obtained under any federal, provincial or foreign law or regulations; (iii) to defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the transactions contemplated hereby; (iv) to cause to be lifted or rescinded any injunction or restraining order or other remedy adversely affecting the ability of the parties to consummate the transactions contemplated hereby; (v) to effect all necessary registrations and other filings and submissions of information requested by governmental authorities; and (vi) to fulfill all conditions and satisfy all provisions of this Agreement and the Offer. For purposes of the foregoing, the obligations of Doseology and Pendulum to use "reasonable efforts" to obtain waivers, consents and approvals to loan agreements, leases and other contracts shall not include any obligation to agree to a materially adverse modification of the terms of such documents or to prepay or incur additional material obligations to such other parties.

11. Termination

This Agreement may be terminated by written notice given to the other party hereto, at any time prior to completion of the transactions contemplated hereby:

- (a) by mutual written consent of Doseology and Pendulum;
- (b) provided that the Offer may be made on a basis that is exempt from the take-over bid requirements of applicable securities laws, by Pendulum if the Offer is not made on or prior to August 1, 2020, or such later date as Pendulum may agree to;
- (c) by either Doseology or Pendulum if the Offer terminates or expires (not having been extended by Doseology) and Doseology shall not have taken up and paid for Pendulum Shares under the Offer as a result of the failure of any condition thereof which has not been waived, unless the failure of such condition shall be due to the failure of the party seeking to terminate this Agreement to perform the obligations under this Agreement required to be performed by it;
- (d) by either Doseology or Pendulum if a court of competent jurisdiction or a governmental, regulatory or administrative agency or commission shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting any of the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and non-appealable, provided that the party seeking to terminate this Agreement pursuant to this paragraph 11(d) shall have used all commercially reasonable efforts to remove such order, decree, ruling or injunction;
- (e) by either Doseology or Pendulum if the other party is in breach of any covenant, agreement or representation or warranty contained in this Agreement except for any breaches of representations, warranties, covenants or obligations which, in aggregate, would not have a material adverse affect on the business, operations or financial condition of such party or on the ability of the parties hereto to consummate the transactions contemplated hereby;
- (f) by Doseology (A) if any of the conditions set forth in Section 2 hereof are not satisfied on or before December 31, 2020, or such later date as Doseology may agree to; or (B) if any conditions to the Offer are not satisfied or waived prior to the Expiry Date, other than if the condition(s) is not satisfied as a result of a breach by Doseology;
- (g) by Pendulum (A) if any of the conditions set forth in Section 3 hereof are not satisfied on or before December 31, 2020, or such later date as Pendulum may agree to; or (B) if any conditions to the Offer are not satisfied or waived prior to the Expiry Date, other than if the condition(s) is not satisfied as a result of a breach by Pendulum; or

- (h) by Pendulm if Doseology shall not have taken up Pendulm Shares pursuant to the Offer on or prior to the third business day after the Expiry Date or such later date agreed to by Doseology and Pendulm.

In the event of the termination of this Agreement as provided in this Section 11, this Agreement shall forthwith have no further force or effect and there shall be no liability on the part of Doseology or Pendulm hereunder except as set forth in Sections 14 or 17 and this Section 11, which provisions shall survive the termination of this Agreement. Nothing contained in this paragraph 11 shall relieve any party from liability for any breach of any provision of this Agreement.

In the event of termination of this Agreement, each of the parties shall forthwith return to the other all confidential and other information relating to such other party.

12. Amendment

This Agreement may be amended by mutual agreement between the parties hereto. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the parties hereto.

13. Waiver

Each of Doseology, on the one hand, and Pendulm, on the other hand, may: (i) extend the time for the performance of any of the obligations or other acts of the other; (ii) waive compliance with any of the other's agreements or the fulfillment of any conditions to its own obligations contained herein; or (iii) waive inaccuracies in any of the other's representations or warranties contained herein or in any document delivered by the other party hereto; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

14. Miscellaneous

This Agreement: (i) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties, with respect to the subject matter hereof; and (ii) shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns. The parties hereto shall be entitled to rely upon delivery of an executed facsimile copy of this Agreement, and such facsimile copy shall be legally effective to create a valid and binding agreement among the parties hereto. The parties hereto agree that irreparable damage would occur 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 shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the Province of British Columbia having jurisdiction, these being in addition to any other remedy to which they are entitled at law or in equity.

15. Notice

Any notice required hereunder may be given by delivery to its addressee, whether by hand, by facsimile or by mail, to the address below:

in the case of Doseology:

Doseology Sciences Inc.
1250, 639 – 5th Ave. SW
Calgary, AB T2P 0M9

Email: max@doseology.com
Attention: Max Krangle, , Chief Executive Officer

in the case of Pendulm:

Pendulm Craft Corp.
280 - 2475 Dobbin Road
West Kelowna BC V4T 2E9

Email: pendulmcraft@gmail.com
Attention: Shane Gordon, Chief Executive Officer

Any notice given as provided herein will be deemed to have been received at the time of its delivery if delivered by hand, on the business day following its transmission if transmitted by facsimile or on the third business day following its mailing if transmitted by mail, as the case may be.

16. Assignment

Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the parties hereto.

17. Expenses

Each party shall bear their own out-of-pocket costs and expenses, including legal, accounting and financial consultant and advisory expenses incurred by each respective party in connection with the Offer and the transactions contemplated hereby.

18. Currency

Unless otherwise stated, all dollar amounts herein are in Canadian dollars.

19. Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

20. Counterpart Execution

This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original instrument but all such counterparts together shall constitute but one agreement.

21. Governing Law

This letter agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

22. Time is of the Essence

Time shall be of the essence of this Agreement.

If you are in agreement with the foregoing, please execute this letter agreement in the space provided. Your execution of this letter agreement shall constitute this document to be a binding agreement between us on the terms as aforesaid.

Yours truly,

DOSEOLOGY SCIENCES INC.

Per: 

ACCEPTED AND AGREED TO this 24 day of July, 2020

PENDULM CRAFT CORP.

Per: 

SCHEDULE A

To letter agreement dated July 15, 2020 from DOSEOLOGY SCIENCES INC. to PENDULM CRAFT CORP.

CONDITIONS TO COMPLETION OF THE OFFER

Part A – Doseology Conditions

Subject to the provisions of the Agreement, Doseology shall have the right to withdraw the Offer or terminate the Offer and shall not be required to take up, purchase or pay for, and shall have the right to extend the period of time during which the Offer is open and postpone taking up and paying for, any Pendulum Shares deposited under the Offer unless all of the following conditions are satisfied or waived by Doseology at or prior to the Expiry Time.

- (a) Minimum Tender Condition. There shall have been deposited under the Offer and not withdrawn at least 66 2/3% of the Pendulum Shares outstanding on a non-diluted basis.
- (b) Third Party Approvals. Doseology and Pendulum shall have obtained all consents, waivers, permissions and approvals necessary to complete the transactions contemplated by the Agreement by or from all relevant Governmental Authorities on terms and conditions satisfactory to Doseology in its sole discretion, acting reasonably.
- (c) Representations and Warranties. The representations and warranties of Pendulum set forth in the Agreement shall be true and correct in all respects as of the Closing Date as if made on and as of such date without giving effect to any materiality qualifiers contained in the Agreement (except to the extent such representations and warranties speak as of an earlier date or, with respect to all representations and warranties, except as affected by transactions contemplated or permitted by the Agreement), except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not result, or would not reasonably be expected to have a material adverse effect on Pendulum, or would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the transactions contemplated by the Agreement, and Pendulum shall have provided to Doseology a certificate of a senior officer certifying such accuracy on the Closing Date.
- (d) Covenants. Pendulum shall have complied in all respects with its covenants in the Agreement, except where the failure to comply in all respects with such covenants, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Pendulum or would not reasonably be expected to significantly impede the ability of the Parties to complete the transactions contemplated by the Agreement, and Pendulum shall have provided to Doseology a certificate of a senior officer certifying compliance with such covenants.
- (e) No Actions. There shall be no action taken under any applicable law that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the transactions contemplated by the Agreement or any other transactions contemplated in the Agreement;
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Agreement;
 - (iii) would materially impede the ability of the parties to complete the transactions contemplated by the Agreement; or
 - (iv) if the transactions contemplated by the Agreement were consummated, would result in a material adverse effect on Pendulum.

- (f) No prohibition at law. There shall not exist any prohibition at law against Doseology making the Offer or taking up and paying for all of the Pendulum Shares under the Offer.
- (g) No Material Adverse Change. From and after the date of the Agreement and up to and including the Closing Date, there shall not have occurred a material adverse change in respect of Pendulum and Pendulum shall have provided to Doseology a certificate of a senior officer certifying as such.
- (h) Board Authorization. Pendulum shall have furnished Doseology with certified copies of the resolutions duly passed by the Board of Directors of Pendulum approving the matters set forth in Section 2(b)(vi) of the Agreement.
- (i) Pendulum Securities. Doseology shall be satisfied, acting reasonably, that immediately prior to the Closing Date: (i) the aggregate number of Pendulum Shares issued and outstanding does not exceed 17,603,109 Pendulum Shares; and (ii) the aggregate number of Pendulum Shares on a fully diluted basis does not exceed 20,000,000 Pendulum Shares, and Pendulum shall have provided to Doseology a certificate of a senior officer certifying as such.
- (j) Closing Documents. Pendulum shall have tabled duly executed copies of all agreements, documents and instruments required to be tabled by Pendulum pursuant to Section 6(l) of the Agreement in connection with the completion of the transactions contemplated by the Agreement.

The foregoing conditions are for the exclusive benefit of Doseology and may be asserted by Doseology regardless of the circumstances or may be waived by Doseology in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Doseology may have.

Part B – Pendulum Conditions

Subject to the provisions of the Agreement, Doseology shall not take up, purchase or pay for any Pendulum Shares deposited under the Offer unless all of the following conditions are satisfied or waived by Pendulum at or prior to the Closing Date.

- (a) Minimum Condition. Not less than 66 2/3% of the outstanding Pendulum Shares being tendered under and not withdrawn from the Offer by the Expiry Time.
- (b) Third Party Approvals. Pendulum shall have obtained all consents, waivers, permissions and approvals necessary to complete the transactions contemplated by the Agreement by or from all relevant Governmental Authorities on terms and conditions satisfactory to Pendulum in its sole discretion, acting reasonably.
- (c) Representations and Warranties. The representations and warranties of Doseology set forth in the Agreement shall be true and correct in all respects as of the Closing Date as if made on and as of such date without giving effect to any materiality qualifiers contained therein (except to the extent such representations and warranties speak as of an earlier date or except as affected by transactions contemplated or permitted by the Agreement), except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the transactions contemplated by the Agreement, and Doseology shall have provided to Pendulum a certificate of a senior officer of Doseology certifying such accuracy on the Closing Date.
- (d) Covenants. Doseology shall have complied in all respects with its covenants herein, except where the failure to comply in all respects with such covenants, individually or in the aggregate, would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the transactions contemplated by the Agreement, and Doseology shall have provided to Pendulum a certificate of a senior officer of Doseology certifying compliance with such covenants.

- (e) No Actions. There shall be no action taken under any Applicable Law that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the transactions contemplated by the Agreement or any other transactions contemplated in the Agreement;
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Agreement; or
 - (iii) would materially impede the ability of the Parties to complete the transactions contemplated by the Agreement.
- (f) No prohibition at law. There shall not exist any prohibition at law against Doseology making the Offer or taking up and paying for all of the Pendulum Shares under the Offer.
- (g) No Material Adverse Change. From and after the date of the Agreement and up to and including the Closing Date, there shall not have occurred a material adverse change in respect of Doseology and Doseology shall have provided to Pendulum a certificate of a senior officer certifying as such.
- (h) Board Authorization. Doseology shall have furnished Pendulum with certified copies of the resolutions duly passed by the Board of Directors of Doseology approving the entering into of the Agreement and the consummation of the transactions contemplated hereby.
- (i) Doseology Securities. Pendulum shall be satisfied, acting reasonably, that immediately prior to the Closing Date: (i) the aggregate number of Doseology Shares issued and outstanding does not exceed 56,500,000 Doseology Shares; and (ii) the aggregate number of Doseology Shares on a fully diluted basis (irrespective of exercise price or condition to exercise of any applicable convertible securities) does not exceed 66,500,000 Doseology Shares, and Doseology shall have provided to Pendulum a certificate of a senior officer certifying as such.
- (j) Closing Documents. Doseology shall have tabled duly executed copies of all agreements, documents and instruments required to be tabled by Doseology pursuant to the Agreement in connection with the completion of the transactions contemplated by the Agreement.

The foregoing conditions are for the exclusive benefit of the holders of Pendulum Shares and may be asserted by Pendulum for the benefit of the holders of Pendulum Shares regardless of the circumstances or may be waived by Pendulum in its sole discretion, in whole or in part, for the benefit of the holders of Pendulum Shares at any time and from time to time without prejudice to any other rights which the holders of Pendulum Shares or Pendulum may have.

SCHEDULE B

**To letter agreement dated July 15, 2020 from
DOSEOLOGY SCIENCES INC. to PENDULM CRAFT CORP.**

SCHEDULE B

To letter agreement dated July 15, 2020 between DOSEOLOGY SCIENCES INC. and PENDULM CRAFT CORP.

PART 1

1. *Pendulum Representations.* Pendulum represents and warrants to Doseology that except as provided in a disclosure letter dated as of the date of this Agreement (the “**Pendulum Disclosure Letter**”):
 - (a) Pendulum is a corporation duly incorporated and validly subsisting under the laws of British Columbia and has no subsidiaries;
 - (b) Pendulum has the requisite corporate power and authority to carry on its business as it is now being conducted. Pendulum is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a material adverse effect on Pendulum;
 - (c) Pendulum has the requisite corporate authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Pendulum of the transactions contemplated hereby have been duly authorized by Pendulum's board of directors and no other corporate proceedings on the part of Pendulum are or will be necessary to authorize this Agreement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by Pendulum and constitutes the legal, valid and binding obligation of Pendulum enforceable against Pendulum in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and to general principles of equity;
 - (d) neither the execution and delivery of this Agreement by Pendulum, the consummation by Pendulum of the transactions contemplated hereby nor compliance by Pendulum with any of the provisions hereof will: (i) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in a creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of Pendulum under, any of the terms, conditions or provisions of (a) the articles or bylaws of Pendulum, or (b) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Pendulum is a party or to which it, or any of its properties or assets, may be subject or by which Pendulum is bound; or (ii) subject to compliance with the statutes and regulations referred to in the next succeeding paragraph, violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to Pendulum (except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations which, or any consents, approvals or notices which if not given or received, would not have any material adverse effect on the business, operations or financial condition of Pendulum or on the ability of Pendulum or Doseology to consummate the transactions contemplated hereby); or (iii) cause a suspension or revocation of any authorization for the consent, approval or license currently in effect which would have a material adverse effect on the business, operations or financial condition of Pendulum;
 - (e) other than in connection with or in compliance with the provisions of applicable laws (i) there is no legal impediment to Pendulum's consummation of the transactions contemplated by this Agreement and (ii) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is necessary by Pendulum in connection with the making or the consummation of the Offer, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have any material adverse effect on the ability of Pendulum to consummate the transactions contemplated hereby;

- (f) Pendulum has authorized an unlimited number of common shares and, as at the date hereof, Pendulum had no more than 17,603,109 issued and outstanding Pendulum Shares; except as aforesaid, there are no outstanding shares of Pendulum or options, warrants, rights or conversion or exchange privileges entitling anyone to acquire any shares of Pendulum or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Pendulum of any shares of Pendulum (including Pendulum Shares) or any securities convertible into, exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of Pendulum. All outstanding Pendulum Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor issued in violation of, any pre-emptive rights, and all Pendulum Shares issuable upon exercise of outstanding stock options, in accordance with their terms, will be duly authorized and validly issued, fully paid and non-assessable and will not be subject to any pre-emptive rights. The certified list of shareholders to be provided by Pendulum pursuant to Section 4 of this Agreement shall be a true, complete and accurate list of the Pendulum shareholders as of its date;
- (g) to the extent applicable, Pendulum has made all filings required under applicable securities laws with the applicable regulatory authorities, all such filings have been made in a timely manner, and all such filings and information and statements contained therein and any other information or statements disseminated to the public by Pendulum, were true, correct and complete in all material respects and did not contain any misrepresentation, as at the date of such information or statements;
- (h) since December 31, 2019, except as has been disclosed in writing to Doseology prior to the date hereof: (i) there has been no material adverse change, (or any condition, event or development involving a prospective change that would be materially adverse to Pendulum) in the business, affairs, operations, assets, capitalization, financial condition, prospect, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of Pendulum; (ii) Pendulum has conducted its business only in the ordinary and normal course; and (iii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Pendulum has been incurred other than in the ordinary and normal course of business;
- (i) the data, information, records, agreements and other documentation in respect of Pendulum and its assets, reserves, liabilities, business and operations provided by Pendulum or provided in writing by its advisors to Doseology or its advisors was and is accurate and correct in all material respects as at the respective dates thereof and did not and does not omit any material data, information, records, agreements and other documentation necessary to make any such data, information, records, agreements and other documentation provided not misleading as at the respective dates thereof;
- (j) except for the agreements listed in Section 1(j) of the Pendulum Disclosure Letter, there are no material contracts or agreements ("**Material Contracts**") to which Pendulum is a party or by which it is bound (and for purposes of this sub-paragraph, any contract or agreement pursuant to which Pendulum will, and may reasonably be expected to, result in a requirement of Pendulum to expend more than \$100,000 or receive or be entitled to receive revenue of more than \$100,000 in either case in the next 12 months, or is out of the ordinary course of business of Pendulum, shall be considered material);
- (k) each of the Material Contracts is valid, binding and in full force and effect and none of Pendulum, or, to Pendulum's knowledge, any other party thereto, is in breach or violation of, or default under, nor has any reasonable basis for a claim of breach or violation by such person of, or default by, such person under the terms of any Material Contract, and no event has occurred which constitutes or, with the lapse of time or the giving of notice would constitute, such a breach, violation or default by such person;
- (l) except as disclosed in Section 1(l) of the Pendulum Disclosure Letter, there are no actions, suits, proceedings or inquiries, including, to the best of Pendulum's knowledge, information or belief after inquiry, pending or threatened against or affecting Pendulum at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially adversely affects, or may in any way materially adversely affect, the assets, liabilities, business or operations of Pendulum or any of its properties or assets or the ability of Pendulum and Doseology to consummate the transactions contemplated hereby;

- (m) the financial statements of Pendulum for the year ended October 31, 2019, and the financial statements of the Pendulum Subsidiaries for most recent fiscal period end or each applicable Pendulum Subsidiary, fairly present, in accordance with generally accepted accounting principles in Canada, consistently applied, the financial position and condition of Pendulum at the dates thereof and the results of the operations of Pendulum for the periods then ended and reflect all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Pendulum as at the dates thereof;
- (n) policies of insurance in force as of the date hereof naming Pendulum as an insured adequately cover all risks reasonably and prudently foreseeable in the operation and conduct of the business of Pendulum as would be customary in respect of the business carried on Pendulum and all such policies of insurance shall remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated hereby or by the Offer;
- (o) Pendulum has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable legislation, regulations or by-laws or other lawful requirement of any governmental or regulatory bodies applicable to Pendulum of each jurisdiction in which it carries on business and Pendulum holds all licenses, registrations and qualifications in all jurisdictions in which it carries on business which are necessary or desirable to carry on the business of Pendulum, as now conducted and as presently proposed to be conducted, and all such licenses, registrations or qualifications are valid and existing and in good standing and none of such licenses, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any material adverse effect on the business or affairs of Pendulum;
- (p) to the best of Pendulum's knowledge, information and belief, Pendulum is not in violation of any applicable federal, provincial, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, "**Environmental Laws**"), and it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, Pendulum has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (q) there are no amounts payable by Pendulum to any directors, officers, employees, consultants or contractors for severance, termination, retention or change of control arrangements with directors, officers, employees, consultants or contractors of Pendulum;
- (r) Pendulum has no defined benefits plans and, other than basic health and dental plans, has no other employee benefit plans and has made no agreements or promises with respect to any such plans;
- (s) Pendulum has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement, the Offer, the Financing, any transaction contemplated hereby or any transaction presently ongoing or contemplated, except that Pendulum has retained legal advisors in connection with certain matters, including the transactions contemplated herein;
- (t) there are no amounts payable by Pendulum under any obligations or liabilities of Pendulum to pay any amount to its officers, directors, employees, consultants or contractors other than amounts payable to consultants or contractors and accrued in the ordinary course and which amounts are consistent with historic practices and the aggregate amount of the obligations of Pendulum for all severance and termination payments, benefits, bonuses (including retention bonuses) and other like costs and all costs of Pendulum relating to the Offer and the transactions contemplated hereunder, including fees and expenses payable to Pendulum's financial, legal and accounting consultants and advisors;

- (u) no director, officer, consultant, employee, insider or other non-arm's length party or any associates or affiliates of any of the foregoing, is indebted to Pendulum;
- (v) no employee, officer, consultant, director, insider or any other non-arm's length party has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, participation interest, net profits or other interest or right to any payments in respect of any revenue of Pendulum or from any of its assets;
- (w) Pendulum's assets are free and clear of all liens, charges, encumbrances and adverse claims created by, through or under Pendulum, except those set forth in writing in the information provided to Doseology by Pendulum prior to the date hereof;
- (x) Pendulum has no outstanding commitments to make capital expenditures in respect of Pendulum's leased properties or assets, other than those which arose in the normal course of business and have been disclosed in writing to Doseology prior to the date hereof or as contemplated herein;
- (y) other than the rights under the Pendulum Shareholders' Agreement, Pendulum is not a party to any applicable rights of first refusal or other restrictions, if any, in respect of the Offer and the transactions contemplated hereby have been waived or terminated;
- (z) the directors of Pendulum have endorsed the making of the Offer and approved this Agreement and subject to the terms of this Agreement, have resolved to recommend acceptance of the Offer by holders of Pendulum Shares;
- (aa) Pendulum has not waived the applicability of any "standstill" or other provisions of any confidentiality agreements entered into by Pendulum which have not been terminated or automatically expired by their terms;
- (bb) Pendulum currently holds no assets that are located in the United States and had no sales in or from the United States in its most recently completed fiscal year and, to the best of the knowledge of Pendulum, there is only one U.S. holder of Pendulum Shares that is an "accredited investor" as such term is defined under applicable securities legislation. The term "U.S. holder" means any person whose address appears on the records of Pendulum, any voting or other trustee, any depository, any share transfer agent or any person acting in a similar capacity on behalf of Pendulum, as being located in the United States;
- (cc) other than the Pendulum Shareholders' Agreement, Pendulum is not a party to, and prior to the Expiry Date Pendulum will not implement, a shareholder rights plan or any other form of plan, agreement, contract or instrument that will trigger any rights to acquire Pendulum Shares or other securities of Pendulum or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or the making of the Offer;
- (dd) to the best of Pendulum's knowledge, information and belief, there are no shareholder agreements, voting trusts or other escrow agreements or arrangements in respect of the Pendulum Shares;
- (ee) Pendulum is not a party to any interest rate swap or option, foreign exchange swap or transaction, currency exchange swap, forward sale or similar transactions;
- (ff) Pendulum has no subsidiaries nor does it have an interest in any other corporation, partnership or other entity, nor does it have any right or obligation to acquire any such interests, other than as disclosed to Doseology prior to the date hereof;
- (gg) to the best of Pendulum's knowledge, information and belief, all accounts receivable of Pendulum are collectible;

- (hh) the corporate records and minute books, books of account and other records of Pendulum (whether financial or accounting nature or otherwise) have been maintained in accordance with, in all material respects, all applicable statutory requirements and prudent business practice and are complete and accurate in all material respects;
- (ii) except in respect of leases listed and summarized in Section 1(ii) of the Pendulum Disclosure Letter, which were obtained in the ordinary course of business, Pendulum is not a party to any lease with respect to real property;
- (jj) Pendulum has not made any payment or loan to, or borrowed monies from or is otherwise indebted to, any officer, director, consultant or contractor of Pendulum including any associate or affiliate (within the meaning of the *Securities Act* (British)) of Pendulum or any of the foregoing persons or any person in respect of whom Pendulum is an associate (collectively, a "**Related Party**") except for compensation paid in the ordinary and normal course of its business consistent with historical practices. Pendulum is not a party to any contract, agreement or other commitment, written or oral, with any Related Party and no Related Party owns, directly or indirectly, any interest in or is an officer, director, employee or consultant of any person which is, or is engaged in business as, a lessor, lessee, client or supplier of Pendulum, or owns, directly or indirectly, in whole or in part, any property that is used in the operation of Pendulum's business or has any cause of action or other claim whatsoever against or owes any amount to, Pendulum;
- (kk) with such exceptions that are not material to Pendulum, Pendulum has duly and on a timely basis filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments and re-assessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any governmental authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by Pendulum and there are no actions, suits, proceedings, investigations or claims threatened or pending against Pendulum in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority;
- (ll) Pendulum is not a "reporting issuer" pursuant to the applicable securities laws in any jurisdiction and has no continuous filing reporting obligations pursuant to the securities legislation of any jurisdiction;
- (mm) there is no published market in respect of any securities of Pendulum, the number of holders of Pendulum Shares (as defined for purposes of applicable securities legislation) (including, after giving effect to exercise of outstanding warrants as contemplated by this Agreement) and the number of registered and beneficial holders of Pendulum Shares (including, after giving affect to exercise of outstanding warrants as contemplated by this Agreement) is not more than 50 and the Offer will constitute an exempt take-over bid for purposes of applicable securities laws and similar provisions of other applicable laws;
- (nn) Pendulum has complied with all of the applicable obligations to pay, withhold, deduct or remit any payroll, employer or health taxes including Canada Pension Plan and provincial pension plan contributions, workmen's compensation premiums, unemployment insurance premiums, employer health taxes or other taxes or deductions in respect of its employees, including withholding obligations with respect to any payment made to any officer or director; and
- (oo) no securities commission or similar regulatory authority, or stock exchange in Canada or the United States has issued any order which is currently outstanding preventing or suspending trading in any securities of Pendulum, no such proceeding is, to the knowledge of Pendulum, pending, contemplated or threatened and Pendulum is not in default of any requirement of any securities laws, rules or policies applicable to Pendulum or its securities.

PART 2

1. *Doseology Representations.* Doseology represents and warrants to Pendulum that except as provided in a disclosure letter dated as of the date of this Agreement (the “**Doseology Disclosure Letter**”):
 - (a) Doseology is a corporation duly incorporated and validly subsisting under the laws of British Columbia and no subsidiaries;
 - (b) Doseology has the requisite corporate power and authority to carry on its business as it is now being conducted. Doseology is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a material adverse effect on Doseology;
 - (c) Doseology has the requisite corporate authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Doseology of the transactions contemplated hereby have been duly authorized by Doseology's board of directors and no other corporate proceedings on the part of Doseology are or will be necessary to authorize this Agreement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by Doseology and constitutes the legal, valid and binding obligation of Doseology enforceable against Doseology in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and to general principles of equity;
 - (d) neither the execution and delivery of this Agreement by Doseology, the consummation by Doseology of the transactions contemplated hereby nor compliance by Doseology with any of the provisions hereof will: (i) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in a creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of Doseology under, any of the terms, conditions or provisions of (a) the articles or bylaws of Doseology, or (b) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Doseology is a party or to which it, or any of its properties or assets, may be subject or by which Doseology is bound; or (ii) subject to compliance with the statutes and regulations referred to in the next succeeding paragraph, violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to Doseology (except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations which, or any consents, approvals or notices which if not given or received, would not have any material adverse effect on the business, operations or financial condition of Doseology or on the ability of Doseology to consummate the transactions contemplated hereby); or (iii) cause a suspension or revocation of any authorization for the consent, approval or license currently in effect which would have a material adverse effect on the business, operations or financial condition of Doseology;
 - (e) other than in connection with or in compliance with the provisions of applicable laws (i) there is no legal impediment to Doseology's consummation of the transactions contemplated by this Agreement and (ii) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is necessary by Doseology in connection with the making or the consummation of the Offer, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have any material adverse effect on the ability of Doseology to consummate the transactions contemplated hereby;
 - (f) Doseology has authorized an unlimited number of common shares and, as at the date hereof, Doseology had: (i) 36,500,001 issued and outstanding Doseology Shares; and (ii) share purchase warrants entitling the holders thereof to acquire 10,000,000 Doseology Shares at a price of \$0.08 per share; except as aforesaid, there are no outstanding shares of Doseology or options, warrants, rights or conversion or exchange privileges entitling anyone to acquire any shares of Doseology or any other rights, agreements or

commitments of any character whatsoever requiring the issuance, sale or transfer by Doseology of any shares of Doseology (including Doseology Shares) or any securities convertible into, exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of Doseology. All outstanding Doseology Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor issued in violation of, any pre-emptive rights, and all Doseology Shares issuable upon exercise of outstanding stock options, in accordance with their terms, will be duly authorized and validly issued, fully paid and non-assessable and will not be subject to any pre-emptive rights. The certified list of outstanding shares to be provided by Doseology pursuant to Section 4 of this Agreement shall be a true, complete and accurate list of the Doseology shareholders as of its date;

- (g) Doseology has made all filings required under applicable securities laws with the applicable regulatory authorities, all such filings have been made in a timely manner, and all such filings and information and statements contained therein and any other information or statements disseminated to the public by Doseology, were true, correct and complete in all material respects and did not contain any misrepresentation, as at the date of such information or statements;
- (h) since June 30, 2020: (i) there has been no material adverse change, (or any condition, event or development involving a prospective change that would be materially adverse to Doseology) in the business, affairs, operations, assets, capitalization, financial condition, prospect, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of Doseology; (ii) Doseology has conducted its business only in the ordinary and normal course; and (iii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Doseology has been incurred other than in the ordinary and normal course of business;
- (i) the data, information, records, agreements and other documentation in respect of Doseology and its assets, reserves, liabilities, business and operations provided by Doseology or provided in writing by its advisors to Pendulum or its advisors was and is accurate and correct in all material respects as at the respective dates thereof and did not and does not omit any material data, information, records, agreements and other documentation necessary to make any such data, information, records, agreements and other documentation provided not misleading as at the respective dates thereof;
- (j) except for the agreements referenced in Section 1(j) of the Doseology Disclosure Letter, there are no material contracts or agreements ("**Material Contracts**") to which Doseology is a party or by which it is bound (and for purposes of this sub-paragraph, any contract or agreement pursuant to which Doseology will, and may reasonably be expected to, result in a requirement of Doseology to expend more than \$100,000 or receive or be entitled to receive revenue of more than \$100,000 in either case in the next 12 months, or is out of the ordinary course of business of Doseology, shall be considered material);
- (k) each of the Material Contracts is valid, binding and in full force and effect and none of Doseology, or, to Doseology's knowledge, any other party thereto, is in breach or violation of, or default under, nor has any reasonable basis for a claim of breach or violation by such person of, or default by, such person under the terms of any Material Contract, and no event has occurred which constitutes or, with the lapse of time or the giving of notice would constitute, such a breach, violation or default by such person;
- (l) there are no actions, suits, proceedings or inquiries, including, to the best of Doseology's knowledge, information or belief after inquiry, pending or threatened against or affecting Doseology at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially adversely affects, or may in any way materially adversely affect, the assets, liabilities, business or operations of Doseology or any of its properties or assets or the ability of Doseology and Pendulum to consummate the transactions contemplated hereby;
- (m) the consolidated financial statements of Doseology for the six months ended June 30, 2018, fairly present, in accordance with generally accepted accounting principles in Canada, consistently applied, the financial position and condition of Doseology at the dates thereof and the results of the operations of Doseology for

the periods then ended and reflect all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Doseology as at the dates thereof;

- (n) policies of insurance in force as of the date hereof naming Doseology as an insured adequately cover all risks reasonably and prudently foreseeable in the operation and conduct of the business of Doseology as would be customary in respect of the business carried on Doseology and all such policies of insurance shall remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated hereby or by the Offer;
- (o) Doseology (which for greater certainty, all references to Doseology in this section shall include a reference to each Doseology Subsidiary) has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable legislation, regulations or by-laws or other lawful requirement of any governmental or regulatory bodies applicable to Doseology of each jurisdiction in which it carries on business and Doseology holds all licenses, registrations and qualifications in all jurisdictions in which it carries on business which are necessary or desirable to carry on the business of Doseology, as now conducted and as presently proposed to be conducted, and all such licenses, registrations or qualifications are valid and existing and in good standing and none of such licenses, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any material adverse effect on the business or affairs of Doseology;
- (p) to the best of Doseology's knowledge, information and belief, Doseology is not in violation of any applicable federal, provincial, state, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, "**Environmental Laws**"), and it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, Doseology has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (q) except in respect of agreements referenced in Section 1(q) of the Doseology Disclosure Letter, there are no amounts payable by Doseology to any directors, officers, employees, consultants or contractors for severance, termination, retention or change of control arrangements with directors, officers, employees, consultants or contractors of Doseology;
- (r) Doseology has no defined benefits plans and has no other employee benefit plans and has made no agreements or promises with respect to any such plans;
- (s) except in respect of agreements referenced in Section 1(s) of the Doseology Disclosure Letter, Doseology has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement, the Offer, the Financing, any transaction contemplated hereby or any transaction presently ongoing or contemplated, except that Doseology has retained legal advisors in connection with certain matters, including the transactions contemplated herein;
- (t) there are no amounts payable by Doseology under any obligations or liabilities of Doseology to pay any amount to its officers, directors, employees, consultants or contractors other than amounts payable to consultants or contractors and accrued in the ordinary course and which amounts are consistent with historic practices and the aggregate amount of the obligations of Doseology for all severance and termination payments, benefits, bonuses (including retention bonuses) and other like costs and all costs of Doseology relating to the Offer and the transactions contemplated hereunder, including fees and expenses payable to Doseology's financial, legal and accounting consultants and advisors;
- (u) no director, officer, consultant, employee, insider or other non-arm's length party or any associates or affiliates of any of the foregoing, is indebted to Doseology;

- (v) no employee, officer, consultant, director, insider or any other non-arm's length party has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, participation interest, net profits or other interest or right to any payments in respect of any revenue of Doseology or from any of its assets;
- (w) Doseology's assets are free and clear of all liens, charges, encumbrances and adverse claims created by, through or under Doseology, except those set forth in writing in the information provided to Doseology by Doseology prior to the date hereof;
- (x) Doseology has no outstanding commitments to make capital expenditures in respect of Doseology's leased properties or assets, other than those which arose in the normal course of business and have been disclosed in writing to Doseology prior to the date hereof or as contemplated herein;
- (y) to the best of Doseology's knowledge, information and belief there are no shareholder agreements, voting trusts or other escrow agreements or arrangements in respect of the Doseology Shares;
- (z) Doseology is not a party to any interest rate swap or option, foreign exchange swap or transaction, currency exchange swap, forward sale or similar transactions;
- (aa) except for the Doseology Subsidiaries, Doseology has no other subsidiaries nor does it have an interest in any other corporation, partnership or other entity, nor does it have any right or obligation to acquire any such interests, other than as disclosed in Section 1(aa) of the Doseology Disclosure Letter;
- (bb) to the best of Doseology's knowledge, information and belief, all accounts receivable of Doseology are collectible;
- (cc) the corporate records and minute books, books of account and other records of Doseology (whether financial or accounting nature or otherwise) have been maintained in accordance with, in all material respects, all applicable statutory requirements and prudent business practice and are complete and accurate in all material respects;
- (dd) except in respect of leases listed in Section 1(dd) of the Doseology Disclosure Letter, which were obtained in the ordinary course of business, Doseology is not a party to any lease with respect to real property;
- (ee) except in respect of loans listed in Section 1(dd) of the Doseology Disclosure Letter, Doseology has not made any payment or loan to, or borrowed monies from or is otherwise indebted to, any officer, director, consultant or contractor of Doseology including any associate or affiliate (within the meaning of the *Securities Act* (British Columbia)) of Doseology or any of the foregoing persons or any person in respect of whom Doseology is an associate (collectively, a "**Related Party**") except for compensation paid in the ordinary and normal course of its business consistent with historical practices. Doseology is not a party to any contract, agreement or other commitment, written or oral, with any Related Party and no Related Party owns, directly or indirectly, any interest in or is an officer, director, employee or consultant of any person which is, or is engaged in business as, a lessor, lessee, client or supplier of Doseology, or owns, directly or indirectly, in whole or in part, any property that is used in the operation of Doseology's business or has any cause of action or other claim whatsoever against or owes any amount to, Doseology;
- (ff) except in respect of filings listed in Section 1(dd) of the Doseology Disclosure Letter which such exceptions are not material to Doseology, Doseology has duly and on a timely basis filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments and re-assessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any governmental authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by Doseology and there are no actions, suits, proceedings, investigations or claims threatened or pending against Doseology in

respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority;

- (gg) as soon as practicable after the date hereof and in any event prior to the Closing Date, Doseology shall (i) take all necessary corporate action to cause the Doseology Shares to be issued as contemplated by this Agreement, and when issued, to be issued as fully paid and non-assessable common shares of Doseology, and (ii) use its commercially reasonable efforts to obtain all consents, approvals, permits, authorizations or filings as may be required to be made or obtained by Doseology under applicable securities laws necessary for the completion of the transactions contemplated in this Agreement;
- (hh) on or prior to the Closing Date, Doseology shall have obtained all consents, approvals, permits, authorizations or filings as may be required to be made or obtained by the Doseology under applicable securities laws necessary for the completion of the transactions contemplated in this Agreement and the creation and issuance, as applicable, of the Doseology Shares, as applicable;
- (ii) prior to the Closing Date, all necessary corporate action will have been taken by Doseology to allot and authorize the issuance of the Doseology Shares as contemplated by this Agreement;
- (jj) Doseology has complied with all of the applicable obligations to pay, withhold, deduct or remit any payroll, employer or health taxes and state and provincial pension plan contributions, workmen's compensation premiums, unemployment insurance premiums, employer health taxes or other taxes or deductions in respect of its employees, including withholding obligations with respect to any payment made to any officer or director; and
- (kk) no securities commission or similar regulatory authority, or stock exchange in Canada or the United States has issued any order which is currently outstanding preventing or suspending trading in any securities of Doseology, no such proceeding is, to the knowledge of Doseology, pending, contemplated or threatened and Doseology is not in default of any requirement of any securities laws, rules or policies applicable to Doseology or its securities.

SCHEDULE C

**To letter agreement dated July 15, 2020 from
DOSEOLOGY SCIENCES INC. to PENDULM CRAFT CORP.**

FORM OF OFFER

This document is important and requires your immediate attention. If you are in any doubt as to how to deal with it, you should contact or consult Pendulum Craft Corp. or your broker, your lawyer or other professional advisor.

DOSEOLOGY SCIENCES INC.

OFFER TO PURCHASE

(Common Shares of Pendulum Craft Corp.)

July 27, 2020

TO: Each holder ("**Shareholder**") of Common Shares of Pendulum Craft Corp.

RE: Offer to Purchase

1. The Offer

On July 15, 2020, Doseology Science Inc. ("**Doseology**" or the "**Offeror**") and Pendulum Craft Corp. ("**Pendulum**") entered into a pre-acquisition agreement (the "**Pre-Acquisition Agreement**") providing for the making of an offer by Doseology to acquire all of the issued and outstanding common shares of Pendulum ("**Pendulum Shares**") and, in connection therewith, permit the exchange of all presently outstanding options and certain warrants convertible into Pendulum Shares (respectively, "**Pendulum Options**" and "**Pendulum Warrants**") into corresponding options and warrants to purchase common shares of Doseology ("**Doseology Shares**") on the same or substantially similar terms or permit the exercise of such Pendulum Options and Pendulum Warrants.

All of the capitalized terms used herein and not otherwise defined herein shall have the meaning assigned thereto in the Pre-Acquisition Agreement:

Doseology hereby offers (the "**Offer**"):

- (a) to purchase the Pendulum Shares held by you for the consideration per Pendulum Share of 0.50 Doseology Shares (the "**Exchange Ratio**"); and
- (b) (i) to permit you to exchange your Pendulum Options and Pendulum Warrants for options and warrants to purchase Doseology Shares (respectively, "**Doseology Options**" and "**Doseology Warrants**") on substantially the same terms on the basis of 0.50 Doseology Options or Warrants for each Pendulum Option or Pendulum Warrant; or (ii) to exercise your Pendulum Warrants to allow you to tender the Pendulum Shares issuable thereunder pursuant to the Exchange Ratio.

The Board of Directors of Pendulum has: (i) unanimously approved the Offer and the Pre-Acquisition Agreement; (ii) unanimously determined that the Offer is in the best interests of Pendulum and the holders of Pendulum Shares; and (iii) resolved to unanimously recommend acceptance of the Offer by the Shareholders.

Pursuant to the Pre-Acquisition Agreement, Pendulum has represented to ensure that, on the Closing Date all of the outstanding options and warrants to purchase Pendulum Shares shall have been exercised, exchanged or expired or otherwise terminated and that there are no other outstanding rights of any kind to acquire Pendulum Shares.

Additionally, in any event, any certificates representing eighty five (85%) percent of the Doseology Shares received by holders of Pendulum Shares pursuant to the Offer shall bear a legend such that 10% of the Doseology Shares thereby received shall not be able to be traded before the date that is three (3), six (6), nine (9), twelve (12), fifteen (15), eighteen (18) and twenty-one (21) months, respectively, following the date of listing of the Doseology Shares on a recognized Canadian stock exchange with the final 15% of the Doseology Shares received by holders of Pendulum Shares pursuant to the Offer able to be traded after the date that is twenty-four (24) months following the date of listing of the Doseology Shares on a recognized Canadian stock exchange.

2. Pre-Tender Agreements

Doseology has entered into pre-tender agreements (the "**Pre-Tender Agreements**") with certain Shareholders, holding in the aggregate a minimum of 66 2/3% of the issued and outstanding Pendulum Shares (the "**Majority Shareholders**"), whereby such parties have agreed to accept the Offer by depositing all of their Pendulum Shares (including any Pendulum Shares acquired pursuant to the exercise of any rights to acquire Pendulum Shares) to the Offer and not to withdraw such shares from the Offer.

3. Time for Acceptance

This Offer is open for acceptance by you only until 4:00 p.m. (Calgary time) on August 17, 2020 (the "**Expiry Time**"), unless extended by Doseology in its sole discretion or withdrawn by Doseology in accordance with the terms of the Pre-Acquisition Agreement and the Offer.

4. Manner of Acceptance

Letter of Transmittal

The Offer may be accepted by delivering to TingleMerrett LLP (as Depositary under the Offer) at its office listed in the Letter of Transmittal, so as to arrive there not later than the Expiry Time:

- (a) the certificate or certificates representing the Pendulum Shares in respect of which the Offer is being accepted;
- (b) the accompanying Letter of Transmittal, or a manually executed facsimile thereof, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and
- (c) any other relevant documents required by the instructions set out in the Letter of Transmittal.

General

In all cases, payment for the Pendulum Shares deposited and taken up by Doseology pursuant to the Offer will be made only after timely receipt by the Depositary of certificates representing the Pendulum Shares together with a properly completed and duly executed Letter of Transmittal in the form accompanying the Offer, or a manually executed facsimile or electronic copy thereof, relating to such Pendulum Shares and any other required documents, in accordance with the instructions set out in the Letter of Transmittal.

The method of delivery of the Letter of Transmittal, certificates representing the Pendulum Shares and all other required documents is at the option and risk of the person depositing the same, and delivery will be deemed effective only when such documents are actually received. Doseology recommends that such documents be delivered by hand to TingleMerrett LLP, 1250, 639 – 5 Avenue SW, Calgary AB T2P 0M9 (as Depositary under the Offer). If such documents are mailed, Doseology recommends that registered mail with return receipt requested be used and that appropriate insurance be obtained.

The execution of a Letter of Transmittal by a Shareholder irrevocably constitutes and appoints any officer of Doseology, and any other person designated by Doseology in writing, as the true and lawful agent, attorney and attorney-in-fact and proxy of such Shareholder with respect to the Pendulum Shares deposited under a Letter of Transmittal which are taken up and paid for under the Offer (the "**Purchased Securities**") effective on and after the date that Doseology takes-up and pays for the Pendulum Shares (the "**Take-Up Date**"), with full power of substitution, in the name of and on behalf of such Shareholder (such power of attorney being deemed to be an irrevocable power coupled with an interest): (a) to register or record, transfer and enter the transfer of Purchased Securities on the register of holders maintained by Pendulum; and (b) except as may otherwise be agreed, to exercise any and all of the rights of the holder of the Purchased Securities. A holder of Purchased Securities who executes a Letter of Transmittal covenants to execute, upon request, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Purchased Securities and acknowledges that all authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of the Shareholder and

shall survive the death or incapacity, bankruptcy or insolvency of the holder and all obligations of the holder therein shall be binding upon the heirs, personal representatives, successors and assigns of the holder, as the case may be.

The deposit of Pendulum Shares pursuant to the procedures set forth in this Offer will constitute a binding agreement between the depositing Shareholder ("**Depositing Shareholder**") and Doseology upon the terms and subject to the conditions of the Offer immediately upon the Take-Up Date. This agreement includes the Depositing Shareholder's representations and warranties that: (a) (i) if the Depositing Shareholder is a body corporate: (A) it is duly incorporated, organized and subsisting under the laws of its jurisdiction of formation; (B) the completion of the transactions contemplated by the Offer have been duly authorized by all necessary corporate action on the part of the Depositing Shareholder; and (C) it has the corporate power and authority to enter into and deliver the Letter of Transmittal and perform its obligations under the Letter of Transmittal and the Offer, including the deposit, sale, assignment and transfer of the Purchased Securities; (ii) if the Depositing Shareholder is an individual, he or she: (A) is mentally competent; (B) is 18 years of age or older; and (C) has the capacity to execute and deliver the Letter of Transmittal and perform his or her obligations under the Letter of Transmittal and the Offer, including the deposit, sale, assignment and transfer of the Purchased Securities (and any Other Securities); (b) the Letter of Transmittal has been duly executed and delivered by it and, the acceptance of the Offer including the deposit, sale, assignment and transfer of the Purchased Securities (and in and to any and all dividends, distributions, payments, securities, rights, assets or other interests declared, paid, issued, distributed, made or transferred on or in respect of the Purchased Securities on and after the date hereof (collectively, the "**Other Securities**") constitutes valid and binding obligations of the Depositing Shareholder enforceable against the Depositing Shareholder in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' right generally and the discretion of courts with respect to equitable and discretionary remedies and defences; (c) subject to compliance with or necessary waiver of the applicable provisions of any shareholders' agreement's, if any, the execution and delivery of, and the performance of its obligations under, the Letter of Transmittal and the deposit, sale, assignment and transfer of the Purchased Securities (and any Other Securities), do not and will not as at the Expiry Time: (i) violate or conflict with any applicable law and, if the Depositing Shareholder is a corporation, its constating documents; (ii) give rise to any rights of first refusal or other pre-emptive, preferential or similar rights to purchase any of the Purchased Securities (and any Other Securities); or (iii) create or allow the creation of a pledge, lien, charge, mortgage, assignment by way of security, conditional sale, title retention arrangement or other security interest, an option to purchase, and any other adverse claim or encumbrance, whether similar or dissimilar to the foregoing upon any of the Purchased Securities (and any Other Securities); (d) subject to compliance with or necessary waiver of the applicable provisions of any applicable shareholders' agreement, if any, there are no approvals or authorizations required to be obtained by the Depositing Shareholder in respect of the execution and delivery of the Letter of Transmittal by it or the deposit, sale, assignment and transfer of the Purchased Securities (and any Other Securities); (e) subject to compliance with or necessary waiver of the applicable provisions of any applicable shareholders' agreement, if any, it is the sole legal and beneficial owner of and it has good and marketable title to or has all necessary power and authority to sell, assign, transfer and convey good and marketable title to the Purchased Securities (and any Other Securities) free and clear of all pledges, liens, charges, mortgages, assignments by way of security, conditional sale, title retention arrangement or other security interest, an option to purchase, and any other adverse claim or encumbrance, whether similar or dissimilar to the foregoing; (f) other than Doseology and subject to compliance with or necessary waiver of the applicable provisions of any applicable shareholders' agreement, if any, no person has any rights, contingent or vested, including any right of first refusal, right of first offer or other similar preferential right, to acquire any of the Purchased Securities (and any Other Securities); (g) it has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the transactions contemplated by the Offer for which Doseology or Pendulum shall have any obligation or liability; (h) other than any applicable shareholders' agreement, if any, or as disclosed in the Pre-Acquisition Agreement, it is not a party to, nor are the Purchased Securities (and any Other Securities) subject to, any shareholders' agreement, if any, (including any unanimous shareholders' agreement), pooling agreement, voting trust, escrow agreement or other similar agreement pertaining to the ownership, voting or disposition of the Purchased Securities (and any Other Securities); (i) it has not received notice of any claim, demand, lawsuit, proceeding, hearing, arbitration or governmental investigation ("**Claim**"), and is not aware of any Claim or potential Claim, actual or threatened, by or against it which prevents, impairs or otherwise negatively affects the ability of the Depositing Shareholder to, or which could reasonably be expected to prevent, impair or otherwise negatively affect the ability of the Depositing Shareholder to, sell, transfer or assign any of the Purchased Securities (and any Other Securities); (j) the deposit of such Purchased Securities (and any Other Securities) complies with applicable securities laws; and (k) subject to compliance with or necessary waiver of the applicable provisions of any applicable shareholders' agreement, if any, when such Purchased Securities (and any Other Securities) are taken up and paid for by Doseology, Doseology will acquire good title thereto

free and clear of all liens, restrictions, charges, encumbrances, Claims and equities whatsoever, other than as may be created by Doseology or any of its affiliates.

The binding agreement created by this Offer also includes Doseology's representations and warranties that: (a) (i) Doseology is duly incorporated, organized and subsisting under the laws of its jurisdiction of formation; (ii) the completion of the transactions contemplated by the Offer have been duly authorized by all necessary corporate action on the part of Doseology; and (iii) Doseology has the corporate power and authority to enter into and deliver, and perform its obligations under, the Offer, including the taking-up and paying for the Pendulum Shares; (b) the Offer has been duly executed and delivered by Pendulum and the Offer, including the taking-up and paying for the Pendulum Shares, constitutes valid and binding obligations of Doseology enforceable against Doseology in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' right generally and the discretion of courts with respect to equitable and discretionary remedies and defences; (c) the execution and delivery of, and the performance of its obligations under the Offer, and the taking-up and paying for the Pendulum Shares, does not and will not as at the Expiry Time violate or conflict with any applicable law or Doseology's constating documents; (d) there are no approvals or authorizations required to be obtained by Doseology in respect of the Offer, including the taking-up and paying for the Pendulum Shares; (e) the taking-up and paying for the Pendulum Shares complies with applicable securities laws; and (f) Doseology has currently available to it and will have at the Closing Date financial resources sufficient to fund the consideration payable by it to the holders of Pendulum Shares pursuant to the Offer.

All questions as to the validity, form, eligibility (including timely receipt) and acceptance of any Pendulum Shares and accompanying documents deposited pursuant to the Offer will be determined by Doseology in its sole discretion. Depositing Shareholders agree that such determination shall be final and binding. Doseology reserves the absolute right to reject any and all deposits which Doseology determines not to be in proper form or which may be unlawful to accept. Doseology reserves the absolute right to waive any defect or irregularity in the deposit of any Pendulum Shares. There shall be no duty or obligation on Doseology, the Depository or any other person to give notice of any defect or irregularity in any deposit and no liability shall be incurred by any of them for failure to give any such notice. Doseology's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal) shall be final and binding. **Doseology reserves the right to permit the Offer to be accepted in a manner other than those set out above.**

5. Doseology Conditions of the Offer

Subject to the provisions of the Pre-Acquisition Agreement, Doseology shall have the right to withdraw the Offer or terminate the Offer and shall not be required to take up, purchase or pay for, and shall have the right to extend the period of time during which the Offer is open and postpone taking up and paying for, any Pendulum Shares deposited under the Offer unless a number of conditions are satisfied or waived by Doseology at or prior to the Expiry Time, including the following conditions:

- (a) Minimum Tender Condition. There shall have been deposited under the Offer and not withdrawn at least 66 2/3% of the Pendulum Shares outstanding on a non-diluted basis.
- (b) Third Party Approvals. Doseology shall have obtained all consents, waivers, permissions and approvals necessary to complete the transactions contemplated by the Pre-Acquisition Agreement by or from all relevant Governmental Authorities on terms and conditions satisfactory to Doseology in its sole discretion, acting reasonably.
- (c) Representations and Warranties. The representations and warranties of Pendulum set forth in the Pre-Acquisition Agreement shall be true and correct in all respects as of the Take-Up Date as if made on and as of such date without giving effect to any materiality qualifiers contained in the Pre-Acquisition Agreement (except to the extent such representations and warranties speak as of an earlier date or, with respect to all representations and warranties, except as affected by transactions contemplated or permitted by the Pre-Acquisition Agreement), except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not result, or would not reasonably be expected to have a material adverse effect on Pendulum, or would not, or would not reasonably be expected to, materially impede the ability

of the Parties to complete the transactions contemplated by the Pre-Acquisition Agreement, and Pendulum shall have provided to Doseology a certificate of a senior officer certifying such accuracy on the Take-Up Date.

- (d) Covenants. Pendulum shall have complied in all respects with its covenants in the Pre-Acquisition Agreement, except where the failure to comply in all respects with such covenants, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Pendulum or would not reasonably be expected to significantly impede the ability of the parties to complete the transactions contemplated by the Pre-Acquisition Agreement, and Pendulum shall have provided to Doseology a certificate of a senior officer certifying compliance with such covenants.
- (e) No Actions. There shall be no action taken under any Applicable Law that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the transactions contemplated by the Pre-Acquisition Agreement or any other transactions contemplated in the Pre-Acquisition Agreement;
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Pre-Acquisition Agreement;
 - (iii) would materially impede the ability of the parties to complete the transactions contemplated by the Pre-Acquisition Agreement; or
 - (iv) if the transactions contemplated by the Pre-Acquisition Agreement were consummated, would result in a material adverse effect on Pendulum.
- (f) No prohibition at law. There shall not exist any prohibition at law against Doseology making the Offer or taking up and paying for all of the Pendulum Shares under the Offer.
- (g) No Material Adverse Change. From and after the date of the Pre-Acquisition Agreement and up to and including the Take-Up Date, there shall not have occurred a material adverse change in respect of Pendulum and Pendulum shall have provided to Doseology a certificate of a senior officer certifying as such.
- (h) Board Authorization. Pendulum shall have furnished Doseology with certified copies of the resolutions duly passed by the Board of Directors of Pendulum approving the matters set forth in Section 2(b)(x) of the Pre-Acquisition Agreement.
- (i) Pendulum Securities. Doseology shall be satisfied, acting reasonably, that immediately prior to the Closing Date: (i) the aggregate number of Pendulum Shares issued and outstanding does not exceed 17,603,109 Pendulum Shares; and (ii) the aggregate number of Pendulum Shares on a fully diluted basis does not exceed 20,000,000 Pendulum Shares, and Pendulum shall have provided to Doseology a certificate of a senior officer certifying as such.
- (j) Closing Documents. Pendulum shall have tabled duly executed copies of all agreements, documents and instruments required to be tabled by Pendulum pursuant to Section 6(l) of the Pre-Acquisition Agreement in connection with the completion of the transactions contemplated by the Pre-Acquisition Agreement.

The foregoing conditions are for the exclusive benefit of Doseology and may be asserted by Doseology regardless of the circumstances giving rise to such assertion (including any action or inaction by Doseology). Doseology may, in Doseology's sole discretion, waive any of the foregoing conditions, in whole or in part, at any time and from time to time, both before and after the Expiry Time, without prejudice to any other rights which Doseology may have. The failure by Doseology at any time to exercise any of the foregoing rights will not be deemed to be a waiver of any such right and each such right shall be deemed to be an ongoing right which may be assessed at any time and from time to time. For greater certainty, each of the conditions set out in this Section 5 is independent of and in addition to each other condition set out in this Section 5 and may be asserted irrespective of whether any other condition may be asserted in connection with any particular event, occurrence or state of facts or otherwise.

6. **Pendulum Conditions of the Offer**

Subject to the provisions of the Pre-Acquisition Agreement, Doseology shall not take up, purchase or pay for any Pendulum Shares deposited under the Offer unless all of the following conditions are satisfied or waived by Pendulum at or prior to the Closing Date:

- (a) **Minimum Condition.** Not less than 66 2/3% of the outstanding Pendulum Shares on a non-diluted basis being tendered under and not withdrawn from the Offer by the Expiry Time.
- (b) **Third Party Approvals.** Pendulum shall have obtained all consents, waivers, permissions and approvals necessary to complete the transactions contemplated by the Pre-Acquisition Agreement by or from all relevant Governmental Authorities on terms and conditions satisfactory to Pendulum in its sole discretion, acting reasonably.
- (c) **Representations and Warranties.** The representations and warranties of Doseology set forth in the Pre-Acquisition Agreement shall be true and correct in all respects as of the Take-Up Date as if made on and as of such date without giving effect to any materiality qualifiers contained therein (except to the extent such representations and warranties speak as of an earlier date or except as affected by transactions contemplated or permitted by the Pre-Acquisition Agreement), except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the transactions contemplated by the Pre-Acquisition Agreement, and Doseology shall have provided to Pendulum a certificate of a senior officer of Doseology certifying such accuracy on the Take-up Date.
- (d) **Covenants.** Doseology shall have complied in all respects with its covenants herein, except where the failure to comply in all respects with such covenants, individually or in the aggregate, would not, or would not reasonably be expected to, materially impede the ability of the parties to complete the transactions contemplated by the Pre-Acquisition Agreement, and Doseology shall have provided to Pendulum a certificate of a senior officer of Doseology certifying compliance with such covenants.
- (e) **No Actions.** There shall be no action taken under any Applicable Law that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the transactions contemplated by the Pre-Acquisition Agreement or any other transactions contemplated in the Pre-Acquisition Agreement;
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Pre-Acquisition Agreement; or
 - (iii) would materially impede the ability of the parties to complete the transactions contemplated by the Pre-Acquisition Agreement.
- (f) **No Prohibition at Law.** There shall not exist any prohibition at law against Doseology making the Offer or taking up and paying for all of the Pendulum Shares under the Offer.
- (g) **No Material Adverse Change.** From and after the date of the Pre-Acquisition Agreement and up to and including the Take-Up Date, there shall not have occurred a material adverse change in respect Doseology and Doseology shall have provided to Pendulum a certificate of a senior officer certifying as such.
- (h) **Board Authorization.** Doseology shall have furnished Pendulum with certified copies of the resolutions duly passed by the Board of Directors of Doseology approving the entering into of the Pre-Acquisition Agreement and the consummation of the transactions contemplated hereby.
- (i) **Doseology Securities.** Pendulum shall be satisfied, acting reasonably, that immediately prior to the Closing Date the aggregate number of Doseology Shares issued and outstanding does not exceed 56,500,000

Doseology Shares; and (ii) the aggregate number of Doseology Shares on a fully diluted basis does not exceed 66,500,000 Doseology Shares (excluding any such securities issued pursuant to the Financing Condition), and Doseology shall have provided to Pendulum a certificate of a senior officer certifying as such

- (g) Closing Documents. Doseology shall have tabled duly executed copies of all agreements, documents and instruments required to be tabled by Doseology pursuant to the Pre-Acquisition Agreement in connection with the completion of the transactions contemplated by the Pre-Acquisition Agreement.

The foregoing conditions are for the exclusive benefit of the Shareholders and may be asserted by Pendulum for the benefit of the Shareholders regardless of the circumstances giving rise to such assertion (including any action or inaction by Pendulum). Pendulum may, in Pendulum's sole discretion, for the benefit of the Shareholders, waive any of the foregoing conditions, in whole or in part, at any time and from time to time, both before and after the Expiry Time, without prejudice to any other rights which the Shareholders or Pendulum may have. The failure by Pendulum at any time to exercise any of the foregoing rights will not be deemed to be a waiver of any such right by Pendulum or and each such right shall be deemed to be an ongoing right which may be assessed at any time and from time to time. For greater certainty, each of the conditions set out in this Section 6 is independent of and in addition to each other condition set out in this Section 6 and may be asserted irrespective of whether any other condition may be asserted in connection with any particular event, occurrence or state of facts or otherwise.

7. Extension and Variation of the Offer

Doseology may, in its sole discretion, amend or extend, vary or waive any term or condition of the Offer, provided that Doseology shall not without the prior consent of Pendulum, waive or reduce the Minimum Condition to less than 66 2/3% of the issued and outstanding Pendulum Shares, impose additional conditions of the Offer, decrease or change the form of consideration to be paid for each Pendulum Share, or make any other change in the Offer which is materially adverse to the Shareholders (and for which purpose an extension of the Offer or waiver of a condition (other than the Minimum Tender Condition to below 66 2/3% of the outstanding Pendulum Shares) will not be considered adverse).

8. Payment for Deposited Pendulum Shares

If all the Doseology conditions of the Offer (See "*Doseology Conditions of the Offer*", Section 5) have been satisfied or waived by Doseology, and all of the Pendulum conditions of the Offer (See "*Pendulum Conditions of the Offer*", Section 6) have been satisfied or waived by Pendulum for the benefit of the Shareholders, Doseology will take-up and be obligated to pay for all Pendulum Shares validly tendered under the Offer on the Closing Date and Doseology may, but shall not be obligated to, do so prior to the Closing Date.

Doseology will pay for Pendulum Shares validly deposited pursuant to the Offer by providing the Depositary with a direction to issue Doseology Shares for delivery to Depositing Shareholders. The Depositary will act as the agent for the Shareholders who have deposited Pendulum Shares in acceptance of the Offer for the purposes of delivery Doseology Shares to such Shareholders as payment under the Offer.

Under no circumstances will interest accrue or be paid by Doseology to persons depositing Pendulum Shares on the acquisition of Pendulum Shares by Doseology, regardless of any delay in delivery of the consideration therefore. No additional amount will be paid by Doseology in respect of accrued and unpaid dividends on the Pendulum Shares.

Settlement will be made by the Depositary by forwarding, certificates or a form of direct registration advice, for the number of Doseology Shares to which a Shareholder is entitled. Subject to the foregoing and unless otherwise directed by the Letter of Transmittal, the certificates or a form of direct registration advice will be issued in the name of the registered holder of the Pendulum Shares so deposited. Unless the person depositing the Pendulum Shares instructs the Depositary to hold the certificates or a form of direct registration advice for pick-up by checking the appropriate box in the Letter of Transmittal, such cheque certificates or a form of direct registration advice will be forwarded by first class insured mail to such persons at the address specified in the Letter of Transmittal. If no address is specified, the certificate(s) will be forwarded to the address of the Shareholder as shown on the registers maintained by Pendulum.

9. No Withdrawal of Deposited Pendulum Shares

All deposits of Pendulum Shares pursuant to the Offer are irrevocable, and all Pendulum Shares deposited in accordance with the Offer may not be withdrawn by or on behalf of the Depositing Shareholder unless the Pre-Acquisition Agreement is terminated.

10. Return of Deposited Pendulum Shares

If any deposited Pendulum Shares are not taken up and paid for by Doseology under the Offer for any reason whatsoever, certificates for Pendulum Shares not deposited or not taken up and paid for will be returned at Doseology's expense by returning the deposited certificates and other relevant documents. The certificates and other relevant documents will be forwarded by first class insured mail in the name of and to the address specified by the Depositing Shareholder in the Letter of Transmittal or, if such name or address is not so specified, then in such name and to such address of the Shareholder as shown on the registers maintained by Pendulum, as soon as practicable following the Expiry Time or withdrawal or termination of the Offer.

11. Notice and Delivery

Without limiting any other lawful means of giving notice, any notice Doseology may give or cause to be given under the Offer will be deemed to have been properly given if it is mailed by first class mail, postage prepaid, to the registered Shareholders at their addresses as shown on the registers maintained by Pendulum and will be deemed to have been received on the first day following the date of mailing which is not a Saturday, Sunday or statutory holiday. These provisions apply notwithstanding any accidental omission to give notice to any one or more Shareholders and notwithstanding any interruption of postal service in Canada or elsewhere following mailing.

12. Acquisition of Pendulum Shares Not Deposited

If Doseology takes-up and pays for Pendulum Shares pursuant to the terms of the Offer, and thereby acquires at least the Minimum Condition, Doseology agrees to use all commercially reasonable efforts to acquire, and Pendulum has agreed to use all commercially reasonable efforts to assist Doseology in acquiring the balance of the Pendulum Shares by way of a second stage transaction. The acquisition by Doseology of the balance of the Pendulum Shares will be carried out for: (i) the same form of consideration paid pursuant to the Offer; and (ii) in respect of each such form of consideration, is not less than the consideration paid pursuant to the Offer.

Nothing herein shall be construed to prevent Doseology from acquiring, directly or indirectly, additional Pendulum Shares in privately negotiated transactions, in another take-over bid, tender or exchange offer, or otherwise in accordance with securities laws (including by way of compulsory acquisition) following completion of the Offer.

13. Shareholders are Encouraged to Consult Their Own Tax Advisors

SHAREHOLDERS ARE ENCOURAGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF DISPOSING OF THEIR TYVAN SHARES PURSUANT TO THE OFFER, HAVING REGARD TO THEIR PARTICULAR CIRCUMSTANCES.

14. Other Terms of the Offer

The Offer and all contracts resulting from the acceptance hereof shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. Each party to any agreement resulting from the acceptance of the Offer unconditionally and irrevocably attorns to the jurisdiction of the courts of the Province of Alberta and the courts of appeal therefrom.

The provisions of the Letter of Transmittal accompanying the Offer, including the instructions contained therein, form part of the terms and conditions of the Offer.

Doseology shall, in its sole discretion acting reasonably, be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the Letter of Transmittal, the validity of any acceptance of the Offer including, without limitation, the satisfaction or non-satisfaction of any condition, the validity, time and effect of any deposit of Pendulum Shares and the due completion and execution of the Letters of Transmittal. Doseology reserves the right to waive any defect in acceptance with respect to any particular Pendulum Share or any particular Shareholder. There shall be no obligation on Doseology to give notice of any defects or irregularities in acceptance and no liabilities shall be incurred by any of them for failure to give any such notification.

The Offer is not being made to, nor will deposits be accepted from or on behalf of holders of Pendulum Shares in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction. However, Doseology may, in its sole discretion, take such action as it may deem necessary to extend the Offer to holders of Pendulum Shares in any such jurisdiction.

DATED this 27th day of July, 2020.

DOSEOLOGY SCIENCES INC.

Signed “*Max Krangle*”

Per: _____

Name: Max Krangle

Title: Chief Executive Officer