

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made effective the 6th day of April, 2021

BETWEEN:

NEPRA FOODS INC., a corporation existing under the laws of British Columbia, having its registered and records office at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7

(hereinafter referred to as “**Purchaser**”)

AND:

NEPRA FOODS, LTD., a corporation incorporated under the laws of the State of Colorado, USA, having an office for notice and delivery located at 7025 S. Revere Parkway, Ste. 100, Centennial, CO 80112

(hereinafter referred to as “**TargetCo**”).

WHEREAS:

(A) In order to move the jurisdiction of the parent corporation with respect to the business currently operating as TargetCo (the “**Business**”) from Colorado, U.S.A. to British Columbia, Canada, Purchaser, which will be the new parent corporation, desires to exchange with the TargetCo Shareholders (as defined herein) all of the currently issued and outstanding shares in the common stock of TargetCo (the “**Exchanged TargetCo Shares**”) for certain shares of the Purchaser (the “**Purchaser Securities**”) in accordance with the terms and conditions herein set forth and as provided for in the Plan of Share Exchange attached hereto as Schedule “A” (the “**Plan of Share Exchange**”), and resulting in TargetCo continuing in existence as operator of the Business as a wholly-owned subsidiary of Purchaser;

(B) TargetCo, upon receiving the requisite TargetCo Shareholders’ Approval (as defined herein) of this Agreement and the Plan of Share Exchange, desires to record the exchange of the Exchanged TargetCo Shares with Purchaser for Purchaser Securities in accordance with the terms and conditions herein set forth and as provided for in the Plan of Share Exchange, leaving Purchaser as the sole shareholder of TargetCo;

(C) TargetCo is in the process of seeking TargetCo Shareholders’ approval of this Agreement and the Plan of Share Exchange in accordance with Applicable Colorado Corporate Law (as defined herein);

(D) the board of directors of each of Purchaser and TargetCo have unanimously determined that this Agreement and the Plan of Share Exchange are in the best interest of their respective securityholders and have resolved to support the Agreement and the Plan of Share Exchange and to enter into this Agreement; and

(E) as a consequence of completing the transactions described in the Plan of Share Exchange, Purchaser will be treated as a U.S. domestic corporation for U.S. federal income tax purposes by reason of Section 7874 of the U.S. Revenue Code and the Parties intend that such transactions will constitute a

single integrated transaction qualifying as a tax-deferred “reorganization” within the meaning of Section 368(a) of the U.S. Revenue Code and that the Share Exchange shall constitute a “plan of reorganization” within the meaning of Treasury Regulation Section 1.368-2(g).

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the respective covenants and agreements herein contained, the Parties covenant and agree as follows:

ARTICLE I INTERPRETATION

1.01 Definitions

In this Agreement, unless otherwise defined, capitalized words and terms will have the following meanings:

- (a) “**Agreement**” means this Share Exchange Agreement as the same may be supplemented or amended from time to time;
- (b) “**Applicable Laws**” means, with respect to any person, any domestic (whether federal, state, territorial, state, provincial, municipal or local) or foreign statutes, laws, ordinances, rules, administrative interpretations, regulations, Orders, writs, injunctions, directives, judgments, decrees or other requirements of any Governmental Body applicable to such person or any of its Affiliates or any of their respective properties, assets, Employees, consultants or agents (in connection with such Employee’s, consultant’s or agent’s activities on behalf of such person or any of its Affiliates), including Applicable Securities Laws and Applicable Colorado Corporate Law;
- (c) “**Applicable Colorado Corporate Law**” means the Colorado Revised Statutes (Title 7 Articles 90, Articles 111 and Articles 113);
- (d) “**Applicable Securities Laws**” means applicable securities legislation having application, securities regulations and securities rules, as amended, and the administrative policy statements, notices, instruments, directions, blanket orders and rulings issued or adopted by the applicable securities regulatory authority having the force of law, in force from time to time and as amended, as applicable to this Agreement, the transactions contemplated therein, and the Parties;
- (e) “**BCBCA**” means the *Business Corporations Act* (British Columbia);
- (f) “**Board**” means the board of directors of a corporation;
- (g) “**Books and Records**” means all technical, business and financial records, financial books and records of account, books, data, reports, files, lists, drawings, plans, logs, briefs, customer and supplier lists, deeds, certificates, contracts, surveys, title opinions or any other documentation and information in any form whatsoever (including written, printed, electronic or computer printout form) relating to a corporate entity and its business;
- (h) “**Business Day**” means a day which is not a Saturday, Sunday or a statutory holiday in the Province of British Columbia or the State of Colorado;

- (i) “**Canadian Securities Administrators**” means the securities commission or other securities regulatory authority of each province and territory of Canada;
- (j) “**Class A Common Shares**” means the Class A common shares in the capital of the Purchaser;
- (k) “**Closing**” means the completion of the Transaction in accordance with the terms and conditions of this Agreement;
- (l) “**Closing Date**” means the date of Closing, which will be the second Business Day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the Transaction (other than conditions that are satisfied with respect to actions the respective Parties will take at the Closing itself), or such other date as the Parties may mutually determine;
- (m) “**Common Shares**” means common shares in the capital of the Purchaser;
- (n) “**Consideration Securities**” has the meaning set forth in Section 2.03;
- (o) “**Contracts**” (individually, a “**Contract**”) means all written or oral outstanding contracts and agreements, leases (including the real property leases), third-party licenses, insurance policies, deeds, indentures, instruments, entitlements, commitments, undertakings and orders made by or to which a Party is bound or under which a Party has, or will have, any rights or obligations and includes rights to use, franchises, license and sub-licenses agreements and agreements for the purchase and sale of assets or shares;
- (p) “**Corporate Records**” means the corporate records of a corporate entity, including (i) its articles, by-laws or other constituting documents, any unanimous members agreement and any amendments thereto; (ii) all minutes of meetings and resolutions of shareholders, members, directors and any committee thereof; (iii) the share certificate books, register of shareholders or members, register of transfers and registers of directors and officers; and (iv) all accounting records;
- (q) “**CSE**” means the Canadian Securities Exchange, operated by the CNSX Markets Inc.;
- (r) “**Disclosure Documents**” means (i) the Prospectus and (ii) the Listing Statement;
- (s) “**Disclosure Letter**” means a letter of even date with this Agreement from TargetCo to Purchaser that is described as the ‘Disclosure Letter’;
- (t) “**Disclosed**” means, in the case of TargetCo, fairly disclosed (with sufficient details to identify the nature and scope of the matter disclosed) in the Disclosure Letter, and, in the case of Purchaser, fairly disclosed in writing to TargetCo prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed);
- (u) “**DRS**” means the Direct Registration System advice statement issued by a transfer agent of a relevant corporation confirming the number of shares held by a registered holder of shares of the relevant corporation;
- (v) “**Eligible Holder**” means a beneficial owner of Exchanged TargetCo Shares who demonstrates to the satisfaction of the Purchaser that, immediately prior to the Closing,

such beneficial owner is: (i) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act; (ii) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act; or (iii) a non-resident of Canada for the purposes of the Tax Act and whose Exchanged TargetCo Shares are “taxable Canadian property” and not “treaty-protected property” as defined in the Tax Act;

- (w) “**Entity**” means a person, other than an individual;
- (x) “**Exchanged TargetCo Shares**” has the meaning set forth in the recitals to this Agreement;
- (y) “**Exemptions**” has the meaning set forth in Section 2.05;
- (z) “**Final Prospectus**” means the (final) offering prospectus of Purchaser, prepared in accordance with NI 41-101, relating to the intended Financing, and to be filed with the Principal Regulator;
- (aa) “**Financing**” means the intended financing by Purchaser by way of a public offering of Common Shares or units comprised of one Common Share and common share purchase warrants (as may be determined by the Purchaser Board), the terms of such public offering financing are to be mutually agreed upon by the Parties;
- (bb) “**Foreign Private Issuer**” has the meaning ascribed to it in Rule 405 under the United States Securities Act of 1933, as amended;
- (cc) “**FPI Protections**” has the meaning set forth in Section 2.03;
- (dd) “**Going Public Transaction**” means the closing of an initial public offering of Purchaser’s Common Shares and the listing of Purchaser’s Common Shares on one of the following recognized stock exchanges: NASDAQ, CSE, TSX-V and TSX;
- (ee) “**Governmental Authority**” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission, gaming commission or stock exchange, including the Exchange;
- (ff) “**IFRS**” means International Financial Reporting Standards, as adopted by the International Accounting Standards Board, as may be amended from time to time;
- (gg) “**laws**” means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which such word is used; and “**law**” means any one of them;
- (hh) “**Lien**” means any mortgage, encumbrance, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other

arrangement or condition, which, in substance, secures payment, or performance of an obligation;

- (ii) “**Listing Application**” means the listing application of Purchaser pertaining to the listing of Purchaser’s Common Shares on the CSE in accordance with the CSE policies subsequent to the closing of the Transaction and the intended Financing, including without limitation the Listing Statement;
- (jj) “**Listing Statement**” means the CSE Form 2A – Listing Statement to be prepared by the Purchaser in connection with the Listing Application;
- (kk) “**Material Adverse Effect**” means (i) any change, effect, fact, circumstance or event which, individually or when taken together with any other changes, effects, facts, circumstances or events, could reasonably be expected to be materially adverse to the assets, liabilities, condition (financial or otherwise), business, properties or results of operation of Purchaser or TargetCo, as applicable, or (ii) a material impairment of or delay in the ability of the Parties (or any one of them) to perform their obligations hereunder or consummate the Transaction;
- (ll) “**material fact**” has the meaning ascribed to it in the *Securities Act* (British Columbia);
- (mm) “**misrepresentation**” has the meaning ascribed to it in the *Securities Act* (British Columbia);
- (nn) “**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators;
- (oo) “**NI 45-106**” means National Instrument 41-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators;
- (pp) “**Non-Resident TargetCo Securityholders**” means those TargetCo Securityholders identified in the attached Schedule “B” as being non-residents of Canada for the purposes of the Tax Act;
- (qq) “**Non-Offending Persons**” has the meaning set forth in Section 6.01(g);
- (rr) “**notice**” has the meaning set forth in Section 8.02;
- (ss) “**Order**” means any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any Governmental Body;
- (tt) “**Parties**” means Purchaser and the TargetCo, and “**Party**” means either one of them;
- (uu) “**person**” includes an individual, sole proprietorship, partnership, limited partnership, unincorporated association or organization, unincorporated syndicate, body corporate, trust, trustee, executor, administrator, legal representative of the Crown or any agency or instrumentality thereof;
- (vv) “**Plan of Share Exchange**” has the meaning set forth in the Recitals;

- (ww) “**Preliminary Prospectus**” means the (preliminary) offering prospectus of Purchaser, prepared in accordance with NI 41-101, relating to the intended Financing, and to be filed with the Principal Regulator;
- (xx) “**Principal Regulator**” means the British Columbia Securities Commission;
- (yy) “**Prospectus**” means, collectively, the Preliminary Prospectus and the Final Prospectus (including any Supplementary Material thereto);
- (zz) “**Purchaser**” has the meaning set forth on the first page of this Agreement;
- (aaa) “**Purchaser Securities**” means, collectively, the Common Shares and the Class A Common Shares in the capital of Purchaser;
- (bbb) “**Purchaser Shareholder’s Approval**” means approval of the transactions contemplated herein by the sole shareholder of Purchaser in accordance with the BCBCA, which approval may be obtained by written consent of such shareholder;
- (ccc) “**Regulation D**” means Regulation D under the U.S. Securities Act;
- (ddd) “**Regulation S**” means Regulation S under the U.S. Securities Act;
- (eee) “**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;
- (fff) “**Subsidiary**” means an Entity that is controlled by another Entity where the controlling Entity is the beneficial or registered owner of, or otherwise controls, more than 50% of the voting securities of the controlled Entity or is otherwise able to control the board of directors (or similar body) of the controlled Entity;
- (ggg) “**Supplementary Material**” means, collectively, any amendment to the Preliminary Prospectus or the Final Prospectus, and any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of Purchaser under Applicable Securities Laws relating to the intended Financing;
- (hhh) “**TargetCo**” has the meaning set forth on the first page of this Agreement;
- (iii) “**TargetCo Assets**” means the assets of TargetCo;
- (jjj) “**TargetCo Convertible Notes**” means the Series I Secured Convertible Notes and the Series II Secured Convertible Notes outstanding in TargetCo.
- (kkk) “**TargetCo Shares**” means shares in the common stock of TargetCo;
- (lll) “**TargetCo Shareholder**” means a holder of TargetCo Shares;
- (mmm) “**TargetCo Shareholders’ Approval**” has the meaning set forth in Section 2.01;
- (nnn) “**Tax Act**” means the *Income Tax Act* (Canada);
- (ooo) “**Termination Date**” means May 31, 2021 or such later date as may be agreed in writing between Purchaser and TargetCo;

- (ppp) “**Time of Closing**” means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as the Parties may mutually determine;
- (qqq) “**Transaction**” means, collectively, (i) the purchase and sale of the Exchanged TargetCo Shares in accordance with the terms of this Agreement, and (ii) all other transactions contemplated by this Agreement;
- (rrr) “**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (sss) “**U.S. Person**” means a United States person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act;
- (TTT) “**U.S. Representation Letter**” means the U.S. Representation Letter for U.S. TargetCo Shareholders attached hereto as Schedule “D”;
- (uuu) “**U.S. Revenue Code**” means the *United States Internal Revenue Code of 1986*, as amended
- (vvv) “**U.S. TargetCo Shareholder**” means (i) a U.S. Person, (ii) any person acquiring the Consideration Shares on behalf of, or for the account or benefit of any U.S. Person or any person in the United States, (iii) any person who is resident in the United States as of the record date for the special meeting of the TargetCo Shareholders or was in the United States at the time when such person received the proxy materials for the special meeting of the TargetCo Shareholders with respect to the Transaction, or (iv) any person who is resident in the United States or was in the United States at the time when such person completed and delivered the proxy for the special meeting of the TargetCo Shareholders with respect to the Transaction; and
- (www) “**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended.

1.02 **Currency**

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.03 **Interpretation Not Affected by Headings, etc.**

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section or a Schedule or Exhibit refers to the specified Article or Section of, or Schedule or Exhibit to this Agreement.

1.04 **Number, etc.**

Unless the subject matter or context requires the contrary, words importing the singular number only will include the plural and vice versa; words importing the use of any gender will include all genders and words importing persons will include natural persons, firms, trusts, partnerships, and corporations.

1.05 Date for Any Action

In the event that any date on which any action is required or permitted to be taken hereunder by any person is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.06 Statutory References

Any reference in this Agreement to a statute includes all regulations and rules made thereunder, all amendments to such statute in force from time to time and any statute, regulation or rule that supplements or supersedes such statute, regulation, or rule.

1.07 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference will be deemed to be the International Financial Reporting Standards or the Canadian generally accepted accounting principles, as applicable, approved by the International Accounting Standards Board or the Canadian Institute of Chartered Accountants, as the case may be, or any successor thereto, applicable as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles.

1.08 Knowledge

- (a) Any reference herein to “the knowledge of Purchaser” (or similar expressions) will be deemed to mean the actual knowledge of Alex McAulay, the sole director of Purchaser, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (b) Any reference herein to “the knowledge of TargetCo” (or similar expressions) will be deemed to mean the actual knowledge of David Wood, the Chief Executive Officer and a director of TargetCo, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.

ARTICLE II PURCHASE AND SALE OF TARGETCO SHARES

2.01 Approval of TargetCo Shareholders

TargetCo has taken or shall use its commercially reasonable efforts to take all action necessary in accordance with Applicable Colorado Corporate Law, Applicable Securities Laws and its articles of incorporation (or equivalent) and bylaws, and has used its reasonable efforts to take all other action necessary or advisable, to approve and adopt this Agreement and the Transaction contemplated herein. TargetCo shall use its commercially reasonable efforts to secure the vote or consent of the TargetCo Shareholders required by Applicable Colorado Corporate Law, Applicable Securities Laws, and its articles of incorporation (or equivalent) and bylaws to obtain such approvals (the “**TargetCo Shareholders’ Approval**”).

2.02 Share Exchange

- (a) Pursuant to the Plan of Share Exchange and subject to the terms and conditions of this Agreement, the TargetCo Shareholders will exchange with and assign and transfer to

Purchaser and Purchaser will receive from and exchange with the TargetCo Shareholders, the number of TargetCo Shares which are beneficially owned by such TargetCo Shareholders. As of the date of this Agreement, the number of TargetCo Shares which are registered to each TargetCo Shareholder is the number set forth opposite the name of such TargetCo Shareholder as set out in Schedule “B” attached hereto.

- (b) At the Time of Closing, Purchaser shall assume the obligations of TargetCo in respect of all TargetCo Shares issuable under all contracts, agreements, commitments or arrangements of TargetCo that provide for the issuance of TargetCo Shares, including those agreements set out in Schedule 2.02 of the Disclosure Letter, whereby subsequent to the Time of Closing, all rights to acquire TargetCo Shares under such contracts, agreements, commitments or arrangements shall thereafter represent a right to receive Purchaser Securities, on the basis as set forth in such contract, agreement, commitment or arrangement after the effect of any exchange ratio of Purchase Securities for TargetCo Shares under this Agreement.
- (c) Except as provided for in this Agreement, TargetCo will make commercially reasonable efforts to prohibit the TargetCo Securityholders from acquiring or disposing of any TargetCo Securities following the date of this Agreement and the Plan of Share Exchange. Notwithstanding the foregoing, and for greater certainty, if any TargetCo Securityholder otherwise may acquire any additional TargetCo Shares (for example, with the consent of Purchaser), such additional TargetCo Shares so acquired will form part of the Exchanged TargetCo Shares and TargetCo covenants and agrees to make commercially reasonable efforts to cause the TargetCo Securityholder to sell, assign and transfer to Purchaser such additional TargetCo Shares held by such TargetCo Shareholder so acquired, in addition to the TargetCo Shares described in Schedule “B”.

2.03 Exchange Consideration

In consideration for the exchange and acquisition of the Exchanged TargetCo Shares, Purchaser will, at the Time of Closing, issue from treasury to each TargetCo Shareholder, pro rata in proportion to their holdings of Exchanged TargetCo Shares, certain Purchaser Securities (each a “**Consideration Share**” and collectively, the “**Consideration Shares**”) on the following basis:

- (a) U.S. TargetCo Shareholders will receive 56.5082 Common Shares in the capital of the Purchaser for each (1) TargetCo Share with respect to 10% of the TargetCo Shares held by each U.S. TargetCo Shareholder and 0.565082 of a Class A Common Share for each (1) TargetCo Share with respect to the remaining 90% of the TargetCo Shares held by each U.S. TargetCo Shareholder; and
- (b) Each non-U.S. TargetCo Shareholder will receive 56.5082 Common Shares in the capital of the Purchaser for each (1) TargetCo Share held by such non-U.S. TargetCo Shareholder.

To the extent a TargetCo Shareholder is to receive a fractional Common Share in the capital of the Purchaser, the entitlement will be rounded down to the nearest whole number without compensation therefor.

To the extent a U.S. TargetCo Shareholder is to receive a fractional Class A Common Share in the capital of the Purchaser, that entitlement will be rounded up or down to the nearest second decimal place without compensation therefor. For greater certainty, in the event any U.S. TargetCo Shareholder

exchanges 10,000 TargetCo Shares, such shares will be exchanged for 56,508 Common Shares and 5,085.74 Class A Common Shares.

The Class A Common Shares will have the special rights and restrictions set forth in the Schedule “C” attached hereto.

Each Class A Common Share will be convertible into one hundred (100) Common Shares (subject to FPI Protections set forth below), and will vote on all matters subject to a vote of holders of Common Shares on an “as-converted basis” and will participate in all dividends, distributions and other rights of Common Shares on an “as-converted basis”. The Class A Common Shares will have certain restrictions on conversion into Common Shares (the “**FPI Protections**”) to protect the Foreign Private Issuer status of the Purchaser and the Purchaser will be treated as a United States taxpayer under the U.S. Revenue Code.

At the time of Closing, TargetCo Shareholders will cease to be TargetCo Shareholders and will only be entitled to receive that number of Consideration Shares to which they are entitled pursuant to this Section 2.03. TargetCo Shareholders need not surrender shares certificates or DRS representing their TargetCo Shares in order to receive the Consideration Shares contemplated herein. Instead, at the Time of Closing, Consideration Shares will be issued to each registered holder of Exchanged TargetCo Shares (and if applicable, delivered by such registered holder to any underlying beneficial holder) and any outstanding certificates or DRS representing TargetCo Shares will be deemed to be null and void. All Consideration Shares will be issued in uncertificated form being evidenced by a book-entry or DRS position on the register of holders of the Purchaser to be maintained by the Purchaser’s transfer agent.

Each U.S. TargetCo Shareholder must complete, execute, and deliver to the Purchaser the U.S. Representation Letter. As soon as practicable following the later of the Time of Closing and the delivery to Purchaser by or on behalf of a former U.S. TargetCo Shareholder of a duly completed U.S. Representation Letter and such additional documents and instruments as Purchaser may reasonably require, the former U.S. TargetCo Shareholder will be entitled to receive the Consideration Shares which such former holder is entitled to receive pursuant to this Section 2.03.

2.04 TargetCo Convertible Notes

Pursuant to this Agreement, the TargetCo Convertible Notes will not be exchanged for convertible notes of the Purchaser. Instead, the TargetCo Convertible Notes will remain outstanding and in accordance with the terms of such TargetCo Convertible Notes will become convertible into Common Shares of the Purchaser and will automatically convert into Common Shares of the Purchaser in accordance with their terms upon completion of the Going Public Transaction, subject to there being an exemption from the prospectus requirements available to the Purchaser under NI 45-106 and/or from the registration requirements under the U.S. Securities Act, as applicable.

2.05 Restrictions on Resale

TargetCo acknowledges and agrees to make commercially reasonable efforts, on or prior to the Closing Date, to ensure that the TargetCo Shareholder understand, acknowledge, agree to, and comply with the following:

- (a) the transfer of the Exchanged TargetCo Shares and the issuance of the Consideration Shares, in exchange therefor, will be made pursuant to applicable exemptions, including exemption 2.11 – *Business Combination and Reorganization* of NI 45-106, (the “**Exemptions**”) from registration and prospectus (or equivalent) requirements of the Applicable Securities Laws;

- (b) that the CSE, in addition to any restrictions on transfer imposed by Applicable Securities Laws (including, without limitation, escrow arrangements required under National Policy 46-201 – *Escrow for Initial Public Offerings* of the Canadian Securities Administrators), may require certain of the Consideration Shares to be held in escrow in accordance with the policies of the CSE;
- (c) as a consequence of acquiring the Consideration Shares, pursuant to the Exemptions:
 - (i) the TargetCo Shareholders will be restricted from using certain of the civil remedies, including statutory rights of rescission or damages, available under Applicable Securities Laws;
 - (ii) the TargetCo Shareholders may not receive information that might otherwise be required to be provided to the TargetCo Shareholders, and Purchaser is relieved from certain obligations that would otherwise apply under Applicable Securities Laws if the Exemptions were not being relied upon by Purchaser;
 - (iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Consideration Shares;
 - (iv) there is no government or other insurance covering the Consideration Shares; and
 - (v) an investment in the Consideration Shares is speculative and of high risk;
- (d) the certificates or DRS representing the Consideration Shares will bear such legends as required by Applicable Securities Laws, the policies of the CSE and as further set out in the U.S. Representation Letter, and it is the responsibility of the TargetCo Shareholders to find out what those restrictions are and to comply with them before selling the Consideration Shares;
- (e) In addition to the above legends, as applicable, and except as set out in Schedule 2.05(e) of the Disclosure Letter, the TargetCo Shareholders understand that the Consideration Shares and any securities issued in respect of or exchange for the Consideration Shares, will be issued in separate denominations that bear a legend restricting such Consideration Shares from being sold, transferred, pledged, hypothecated or otherwise assigned or traded until the respective release dates on the following basis:
 - (i) 10% on the date of completion of the Going Public Transaction;
 - (ii) 30% on the date that is 6 months from the completion of the Going Public Transaction;
 - (iii) 30% on the date that is 12 months from the completion of the Going Public Transaction; and
 - (iv) 30% on the date that is 18 months from the completion of the Going Public Transaction.
- (f) the TargetCo Shareholders are knowledgeable of, or have been independently advised as to, the Applicable Laws of that jurisdiction which apply to the sale of the Consideration Shares and the issuance of the Consideration Shares, and which may impose restrictions on the resale of such Consideration Shares in that jurisdiction and it is the responsibility

of the TargetCo Shareholders to find out what those resale restrictions are, and to comply with them before selling the Consideration Shares;

- (g) the Consideration Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and that the Consideration Shares may not be offered or sold in the United States or to a U.S. Person without registration under the U.S. Securities Act and any applicable state securities laws or in compliance with the requirements of an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws;
- (h) each U.S. TargetCo Shareholder understands that the offer and sale of the Consideration Shares by Purchaser to a U.S. Person, or to, or for the account or benefit of, a U.S. Person or any person in the United States as contemplated hereby is being made in reliance on available exemptions from such registration requirements provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and applicable state securities laws;
- (i) any Consideration Shares issued to any U.S. TargetCo Shareholder will be “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and will be subject to resale limitations imposed thereby and the U.S. Securities Act and bear a U.S. restrictive legend in substantially the following form:

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

- (j) each U.S. TargetCo Shareholder is familiar with the resale limitations imposed thereby and the U.S. Securities Act or has been independently advised of such resale limitations by an investment advisor or legal counsel; and
- (k) the TargetCo Shareholders will not offer or sell the Consideration Shares in the United States or to a U.S. Person, or for the account or benefit of, a U.S. Person or a person in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available, and further the TargetCo Shareholders will not resell the Consideration Shares in any jurisdiction, except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and orders and stock exchange rules, and, if applicable, Rule 904 of Regulation S.

2.06 Disclosure Documents

- (a) Promptly after the execution of this Agreement, Purchaser and TargetCo will jointly prepare a Preliminary Prospectus together with any other documents required by the Principal Regulator and Applicable Securities Laws in connection with the intended Financing.
- (b) Concurrently with the preparation of the Preliminary Prospectus, Purchaser and TargetCo will jointly prepare the Listing Statement together with any other documents that may be required by Applicable Securities Laws and other Applicable Laws and the rules and policies of the CSE in connection with the Listing Application.
- (c) Notwithstanding the above Sections 2.06(a) and 2.06(b), TargetCo's principals will make commercially reasonable efforts to assist Purchaser to prepare and file a Final Prospectus and to finalize the Listing Application.
- (d) Purchaser represents and warrants that the Disclosure Documents will comply in all material respects with all Applicable Laws (including applicable securities law), and, without limiting the generality of the foregoing, that the Disclosure Documents will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (provided that Purchaser will not be responsible for the accuracy of any information relating to TargetCo that is furnished in writing by TargetCo for inclusion in the Disclosure Documents).
- (e) TargetCo represents and warrants that any information or disclosure relating to TargetCo that is furnished in writing by TargetCo for inclusion in the Disclosure Documents will comply in all material respects with all Applicable Laws (including Applicable Securities Laws), and, without limiting the generality of the foregoing, that the Disclosure Documents will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (provided that TargetCo will not be responsible for the accuracy of any information relating to Purchaser that is furnished in writing by Purchaser for inclusion in the Disclosure Documents).
- (f) TargetCo, Purchaser and their respective legal counsel will be given a reasonable opportunity to review and comment on drafts of the Disclosure Documents and other documents related thereto and to the Transaction, and reasonable consideration will be

given to any comments made by TargetCo, Purchaser and their respective counsel, provided that all information relating solely to Purchaser included in the Disclosure Documents will be in form and content satisfactory to Purchaser, acting reasonably, and all information relating solely to TargetCo included in the Disclosure Documents will be in form and content satisfactory to TargetCo, acting reasonably.

- (g) The Purchaser and TargetCo will promptly notify each other if at any time before the date of filing in respect of the Disclosure Documents, either Party becomes aware that the Disclosure Documents contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise require an amendment or supplement to the Disclosure Documents and the Parties will cooperate in the preparation of any amendment or supplement to such documents, as the case may be, as required or appropriate.

2.07 U.S. Tax Treatment

As a consequence of completing the transactions described in the Plan of Share Exchange, Purchaser will be treated as a U.S. domestic corporation for U.S. federal income tax purposes by reason of Section 7874 of the U.S. Revenue Code. The Parties intend that such transactions will constitute a single integrated transaction qualifying as a tax-deferred “reorganization” within the meaning of Section 368(a) of the U.S. Revenue Code and that the Share Exchange shall constitute a “plan of reorganization” within the meaning of Treasury Regulation Section 1.368-2(g).

2.08 Canadian s.85 Tax Election

An Eligible Holder who receives Consideration Shares in exchange for Exchanged TargetCo Shares may make an income tax election under s.85(1) or s.85(2) of the Tax Act, as applicable (and where applicable, under analogous provincial income tax law) with respect to the exchange by providing two signed copies of the necessary prescribed election form(s) to Purchaser (or as otherwise set out in the letter of transmittal, if at all) within 90 days following the Closing Date, duly and properly completed with the details of the Exchanged TargetCo Shares transferred, the applicable agreed amount(s) and all other relevant detail in accordance with applicable law. Thereafter, subject to the election form(s) appearing correct and complete and appearing to comply with the provisions of the Tax Act, the form(s) will be signed by Purchaser and returned to such Eligible Holder (within 90 days after the receipt thereof by Purchaser), at the address indicated on the election form(s), for filing with the appropriate taxation authority by such Eligible Holder. Purchaser will not be responsible for the Eligible Holder’s receipt of forms sent/mailed for this purpose. Purchaser will not be responsible for the proper completion of any election form and will not be responsible for any taxes, interest, penalties, or other amounts arising in any way and for any reason with respect to the election or the election form, nor will Purchaser be responsible for the proper and timely filing of the form, and the Eligible Holder will be solely responsible in all these respects. In its sole discretion, Purchaser may choose to sign and return an election form received more than 90 days following the Closing Date, but Purchaser will have no obligation to do so.

ARTICLE III CONDITIONS OF CLOSING

3.01 Conditions of Closing in Favour of Purchaser

The obligations of Purchaser to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) TargetCo will have tendered all closing deliveries set forth in Sections 4.03, including delivery of the Exchanged TargetCo Shares, duly endorsed in blank for transfer or accompanied by duly executed stock transfer powers, or, alternatively, evidence that such certificates have been cancelled together with a new certificate registered in the name of Purchaser representing the Exchanged TargetCo Shares;
- (b) receipt of evidence of the TargetCo Shareholders' Approval and any other approval of the TargetCo Shareholder, as applicable;
- (c) the sole shareholder of Purchaser shall have authorized by written consent resolution to increase the number of directors of Purchaser from one to five directors to accommodate the appointment of four additional directors upon Closing;
- (d) the representations and warranties of TargetCo set forth in this Agreement will have been true and correct as of the date hereof and will be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of the Chief Executive Officer of TargetCo to this effect will have been delivered to Purchaser;
- (e) all of the terms, covenants and conditions of this Agreement to be complied with or performed by TargetCo at or before the Time of Closing will have been complied with or performed and a certificate of the Chief Executive Officer of TargetCo to this effect will have been delivered to Purchaser;
- (f) Purchaser will be satisfied with the results of its due diligence investigations relating to TargetCo and the Transaction, acting reasonably;
- (g) other than pursuant to U.S federal laws, all consents, assignments, waivers, permits, orders and approvals of all Governmental Authorities or other persons, including all those party to the material contracts listed in the Disclosure Letter, necessary to permit the completion of the Transaction will have been obtained or have been attempted to be obtained on a best efforts basis;
- (h) there will not have been after the date of this Agreement any Material Adverse Effect with respect to TargetCo;
- (i) there will be no action taken under any applicable law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to Purchaser or TargetCo or that could reasonably be expected to impose any condition or restriction upon Purchaser or TargetCo which, after giving effect to the Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render inadvisable the consummation of the Transaction;
- (j) the distribution of Consideration Shares to the TargetCo Shareholders pursuant to this Agreement shall be exempt from the prospectus and registration requirements under Applicable Securities Laws;

- (k) there will be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced, or tabled which, in the opinion of Purchaser, acting reasonably, adversely affects or may adversely affect the Transaction; and
- (l) the Closing Date will be on or before the Termination Date.

The foregoing conditions precedent are for the benefit of Purchaser and may be waived by Purchaser, in whole or in part, without prejudice to Purchaser's right to rely on any other condition in favour of Purchaser.

3.02 Conditions of Closing in Favour of TargetCo

The obligations of TargetCo to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) Purchaser will have tendered all closing deliveries set forth in Section 4.02 including delivery of the Consideration Shares and evidence the Purchaser Shareholder's Approval;
- (b) all consents, waivers, permits, orders and approvals of all Governmental Authorities or other persons, necessary to permit the completion of the Transaction will have been obtained;
- (c) the shareholder of Purchaser shall have authorized by written consent resolution to increase the number of directors of Purchaser from one to five directors to accommodate the appointment of four additional directors upon Closing;
- (d) the representations and warranties of Purchaser set forth in this Agreement will have been true and correct as of the date hereof and will be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of the Chief Financial Officer of Purchaser to this effect will have been delivered to TargetCo;
- (e) all of the terms, covenants and conditions of this Agreement to be complied with or performed by Purchaser at or before the Time of Closing will have been complied with or performed and a certificate of the Chief Financial Officer of Purchaser to this effect will have been delivered to TargetCo;
- (f) TargetCo will be satisfied with the results of its due diligence investigations relating to Purchaser and the Transaction, acting reasonably;
- (g) there will not have been after the date of this Agreement any Material Adverse Effect with respect to Purchaser;
- (h) there will be no action taken under any applicable law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to Purchaser or TargetCo or that could reasonably be expected to impose any condition or restriction upon Purchaser or TargetCo which, after giving effect to the

Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render inadvisable the consummation of the Transaction;

- (i) there will be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced, or tabled which, in the opinion of the TargetCo, acting reasonably, adversely affects or may adversely affect the Transaction; and
- (j) the Closing Date will be on or before the Termination Date.

The foregoing conditions precedent are for the benefit of TargetCo and may be waived by TargetCo, in whole or in part, without prejudice to TargetCo's right to rely on any other condition in favour of TargetCo.

3.03 Notice and Cure Provisions

Each Party will give prompt notice to the other Party of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would or would be likely to:

- (a) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate on the date hereof or at the Closing Date; or
- (b) result in the failure by such Party to comply with or satisfy any covenant, condition, or agreement to be complied with or satisfied by such Party hereunder prior to the Closing Date.

Subject to Article VII, no Party may elect not to complete the Transaction as contemplated herein as a result of the non-fulfillment of the conditions precedent contained in Sections 3.01 or 3.02, as applicable, unless the Party intending to rely thereon has delivered a written notice to the other Party prior to the Time of Closing specifying, in reasonable detail, all breaches of representations and warranties or covenants or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent.

ARTICLE IV CLOSING AND POST CLOSING ARRANGEMENTS

4.01 Time and Place of Closing

Closing of the Transaction will take place at the Time of Closing at the offices of McMillan LLP, Suite 1500, Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

4.02 Closing Deliveries of Purchaser

At the Time of Closing, Purchaser will deliver or cause to be delivered:

- (a) share certificates or DRS evidencing the Consideration Shares registered as directed by TargetCo on behalf of the TargetCo Shareholders; provided, however, that, unless Purchaser has already engaged a transfer agent that is approved by the CSE or another stock exchange in Canada (an "**Approved Transfer Agent**"), such share certificates or DRS evidencing the Consideration Shares will be held by Purchaser in its minute book as

such share certificates will need to be converted into share certificates containing a CUSIP issued by an Approved Transfer Agent;

- (b) if required, evidence of the Purchaser Shareholder's Approval;
- (c) a certificate of the Chief Financial Officer of Purchaser, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the notice of articles and articles of Purchaser (and all amendments thereto as in effect as on such date); (ii) all resolutions of the Purchaser Board approving the entering into of this Agreement and all ancillary agreements contemplated herein and the completion of the Transaction, including the issuance of the Consideration Shares, and (iii) as to the incumbency and genuineness of the signature of the officer of Purchaser executing this Agreement or any of the other agreements or documents contemplated hereby;
- (d) the officer's certificates referred to in Sections 3.02(d) and 3.02(e);
- (e) a certificate of good standing of Purchaser;
- (f) a certified copy of resolutions consented to in writing by the Purchaser Board appointing all other directors of TargetCo, being David Wood, Chadwick White and Marc Olmsted as well as Joel Leonard, as directors of Purchaser; and
- (g) a certified copy of resolutions consented to in writing by the Purchaser Board appointing David Wood as the President and Chief Executive Officer of Purchaser, Chadwick White as the Chief Innovation Officer of Purchaser and Robert Hopp as Chief Operating Officer and General Counsel of Purchaser.

4.03 Closing Deliveries of TargetCo

At the Time of Closing, TargetCo will deliver or cause to be delivered:

- (a) a certificate of the Chief Executive Officer of TargetCo, dated as of the Closing Date, certifying TargetCo's receipt of the TargetCo Shareholders' Approval and any other required approval of the TargetCo Shareholders, as applicable;
- (b) the officer's certificates referred to in Sections 3.01(d) and 3.01(e);
- (c) a certificate of good standing (or equivalent) for TargetCo;
- (d) to the extent not previously delivered, all financial statements of TargetCo and its Subsidiaries required to be included in the Prospectus and Listing Statement pursuant to Applicable Securities Laws and the policies of the CSE;
- (e) with respect to each TargetCo Shareholder, certificates evidencing the Exchanged TargetCo Shares owned by such TargetCo Shareholder, duly endorsed in blank for transfer or accompanied by duly executed stock transfer powers, or, alternatively, evidence that such certificates have been cancelled together with a new certificate registered in the name of Purchaser representing the Exchanged TargetCo Shares; and
- (f) with respect to U.S. TargetCo Shareholders, the U.S. Representation Letter.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

5.01 Representations and Warranties of Purchaser

The Purchaser represents and warrants to and in favour of TargetCo as follows and acknowledges that TargetCo is relying upon such representations and warranties in connection with the transactions contemplated herein:

- (a) Purchaser is a corporation validly existing and in good standing under the laws of the Province of British Columbia and is duly registered, licensed or qualified to carry on business as an extra-provincial or foreign corporation under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) Purchaser has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by Purchaser and each is, or will be at the Time of Closing, a legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the articles of Purchaser or of any resolutions of the directors or shareholders of Purchaser, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any Purchaser Material Contract), licence or permit to which Purchaser is a party or by which Purchaser is bound or to which any material assets or property of Purchaser is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to Purchaser;
- (e) the authorized capital of Purchaser currently consists of an unlimited number of Common Shares and an unlimited number of Class A Common Shares, of which, as of the date hereof, 100 Common Shares are issued and outstanding as fully paid and non-assessable;
- (f) when issued in accordance with the terms hereof, the Consideration Shares will be validly issued as fully paid and non-assessable Common Shares;
- (g) there are no other Common Shares or securities convertible, exercisable or exchangeable into Common Shares issued or outstanding;
- (h) other than the TargetCo Convertible Notes, no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of Purchaser; and

- (i) Purchaser does not own, and has not at any time owned, and does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any person, and Purchaser does not have any agreements to acquire or lease any material assets or properties or any other business operations.

5.02 Representations and Warranties of TargetCo

TargetCo represents and warrants to Purchaser as follows and acknowledges that Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) TargetCo is a corporation incorporated and validly existing under the laws of the State of Colorado and has all requisite corporate power and corporate authority and is duly qualified and holds all material permits, licences, registrations, permits, qualifications, consents and authorizations necessary or required to carry on its business as now conducted and to own, lease and/or operate the TargetCo Assets, and to carry on its business as now being conducted, and neither TargetCo nor, to the knowledge of TargetCo, any other person, has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing the dissolution or winding up of TargetCo, and TargetCo has all requisite corporate power and corporate authority to enter into this Agreement and each additional agreement or instrument delivered pursuant to this Agreement and to carry out its obligations hereunder and thereunder;
- (b) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by TargetCo and each is, or will be at the Time of Closing, a legal, valid and binding obligation of TargetCo, enforceable against TargetCo in accordance with its terms;
- (c) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of any shareholders' agreement, or of any resolutions of the TargetCo Shareholders, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any TargetCo Material Contract), license or permit to which TargetCo is a party or by which TargetCo is bound or to which any material assets or property of TargetCo is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to TargetCo;
- (d) the authorized share capital of TargetCo, as of the date of this Agreement, consists of 100,000,000 TargetCo Shares of which 743,253.58 TargetCo Shares are issued and outstanding as fully paid and non-assessable;
- (e) the only outstanding securities convertible, exchangeable or exercisable into TargetCo Shares, are (i) an aggregate of US\$999,990.20 principal amount of Series I Secured Convertible Notes and (ii) an aggregate of US\$295,000 principal amount of Series II Secured Convertible Notes, which are collectively the TargetCo Convertible Notes;

- (f) other than as set out in Sections 5.02(d) and (e) above, there are no other TargetCo Shares or securities convertible, exercisable or exchangeable into TargetCo Shares issued or outstanding;
- (g) other than as set out in Schedule 5.02(g) of the Disclosure Letter, no person (other than Purchaser pursuant to this Agreement) has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any TargetCo Securities or other securities of TargetCo;
- (h) other than its interest in Total Blending Solutions, Ltd. and Gluten Free Baking Solutions, LLC, TargetCo does not own and does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any person;
- (i) to the best of its knowledge, no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over TargetCo is required to be obtained by TargetCo in connection with the execution and delivery of this Agreement, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay TargetCo from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on TargetCo;
- (j) there is no suit, action or proceeding or, to the knowledge of TargetCo, pending or threatened against TargetCo that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on TargetCo, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against TargetCo causing, or which could reasonably be expected to cause, a Material Adverse Effect on TargetCo;
- (k) no bankruptcy, insolvency or receivership proceedings have been instituted by TargetCo or, to the knowledge of TargetCo, are pending against TargetCo;
- (l) TargetCo has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified TargetCo of such Governmental Authority's intention to commence or to conduct any investigation that could be reasonably likely to have a Material Adverse Effect on TargetCo;
- (m) no current or former employee, officer or director of TargetCo is entitled to a severance, termination or other similar payment as a result of the Transaction;
- (n) the Corporate Records of TargetCo are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all Applicable Laws;
- (o) all Books and Records of TargetCo have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles,

and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;

- (p) TargetCo is not a ‘reporting issuer’ or equivalent in any jurisdiction nor are any shares of TargetCo listed or quoted on any stock exchange or electronic quotation system;
- (q) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to any of the TargetCo Securityholders;
- (r) the TargetCo Shareholders are the registered and beneficial owners of that number of TargetCo Shares held or beneficially owned by such TargetCo Shareholders (such TargetCo Shares comprising the Exchanged TargetCo Shares), free and clear of all Liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances of any nature whatsoever;
- (s) the Consideration Shares issuable hereunder have not been and will not be registered under the securities laws of any foreign jurisdiction and that the issuance of the Consideration Shares pursuant to the terms of this Agreement is being made in reliance on applicable exemptions;
- (t) if a TargetCo Shareholder is a U.S. Person or was in the United States at the time the Consideration Shares were offered or at the time of execution and delivery of this Agreement, then TargetCo has made commercially reasonable efforts to certify that each U.S. TargetCo Securityholder qualifies as an “accredited investor” as that term is defined under Rule 501(a) of Regulation D promulgated under the U.S. Securities Act or is not an “accredited investor” but has a pre-existing substantive relationship with Purchaser and has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment under this Agreement, of which there can be no more than 35 U.S. TargetCo Securityholders that are not “accredited investors”, and each U.S. TargetCo Securityholder has completed, executed and delivered the U.S. Representation Letter;
- (u) unless the TargetCo Securityholder has completed, executed and delivered the U.S. Representation Letter, TargetCo represents and warrants that the TargetCo Securityholder is not in the United States, is not a U.S. Person and is not acquiring the Consideration Shares on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States, was not offered the Consideration Shares in the United States and was outside the United States at the time of execution and delivery of this Agreement, and TargetCo will make commercially reasonable efforts to confirm and provide Purchaser with proof of the same;
- (v) the receipt of the Consideration Shares by Non-Resident TargetCo Securityholders does not contravene any of the applicable securities legislation in the jurisdiction in which it is resident and does not trigger: (i) any obligation to prepare and file a prospectus or similar document, or any other report with respect to such transfer; and (ii) any registration or other obligation on the part of Purchaser; and
- (w) to the knowledge of TargetCo, no representation or warranty of TargetCo contained in this Agreement contains any untrue statement of a material fact or omits to state a

material fact necessary in order to make the statements contained herein or therein not misleading.

ARTICLE VI COVENANTS

6.01 Mutual Covenants

Each of the Parties covenants and agrees as follows:

- (a) to use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper, or advisable under Applicable Laws and regulations to complete the Transaction in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, in the event that any person, including without limitation, any securities regulatory authority, seeks to prevent, delay or hinder implementation of all or any portion of the Transaction or seeks to invalidate all or any portion of this Agreement, each of the Parties will use commercially reasonable efforts to resist such proceedings and to lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affecting the ability of the Parties to complete the Transaction;
- (b) to use commercially reasonable efforts to obtain, before the Time of Closing, all authorizations, waivers, exemptions, consents, orders and other approvals from domestic or foreign courts, Governmental Authorities, shareholders, TargetCo Shareholders and third parties as are necessary for the consummation of the transactions contemplated herein;
- (c) to use commercially reasonable efforts to defend or cause to be defended any lawsuits or other legal proceedings brought against it challenging this Agreement or the completion of the Transaction; no Party will settle or compromise any claim brought against them in connection with the transactions contemplated by this Agreement prior to the Closing Date without the prior written consent of each of the others, such consent not to be unreasonably withheld or delayed;
- (d) to promptly notify the other Party if any representation or warranty made by it in this Agreement ceases to be true and correct in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier) and of any failure to comply in any material respect with any of its obligations under this Agreement;
- (e) to co-operate with the other Party in good faith in order to ensure the timely completion of the Transaction;
- (f) to use commercially reasonable efforts to co-operate with the other Party in connection with the performance by the other of its obligations under this Agreement; and
- (g) to indemnify and hold harmless the other Party (and, if applicable, such other Party's respective directors, officers, representatives and advisers) (collectively, the "Non-

Offending Persons”) from and against all claims, damages, liabilities, actions or demands to which the Non-Offending Persons may be subject insofar as such claims, damages, liabilities, actions or demands arise out of, or are based upon, the information supplied by TargetCo or Purchaser, as applicable, for inclusion in the Disclosure Documents having contained a misrepresentation. TargetCo and Purchaser will obtain and hold the rights and benefits of this subsection in trust for and on behalf of such Parties’ respective directors, officers, representatives, and advisers.

6.02 Covenants of Purchaser

The Purchaser covenants and agrees with each of the TargetCo Shareholders and TargetCo that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) in a timely and expeditious manner:
 - (i) prepare, in consultation with TargetCo, the Disclosure Documents in prescribed form and in form and content acceptable to TargetCo, acting reasonably;
 - (ii) if required, obtain the Purchaser Shareholder’s Approval of the Transaction;
 - (iii) obtain the Purchaser Shareholder’s Approval to authorize the alteration to the Purchaser’s notice of articles and articles in order to change the Purchaser’s authorized capital to include an unlimited number of Class A Common Shares, having the special rights and restrictions as set forth in Schedule “C” hereto, and to take all other necessary actions, including the filing of the notice of alteration with the BC Registrar of Companies, to effect such alteration to the Purchaser’s notice of articles and articles;
 - (iv) file and/or deliver any document or documents as may be required in order for the Transaction as contemplated herein to be effective; and
 - (v) file and/or deliver any document or documents required pursuant to Applicable Laws in connection with the Transaction as contemplated herein after the Closing;
- (b) ensure that the Disclosure Documents do not contain a misrepresentation as it relates to Purchaser, including in respect of its assets, liabilities, operations, business and properties;
- (c) to make available and afford TargetCo and its authorized representatives and, if requested by TargetCo, provide a copy of all title documents, contracts, financial statements, minute books, share certificate books, if any, share registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to Purchaser. The Purchaser will afford TargetCo and its authorized representatives every reasonable opportunity to have free and unrestricted access to Purchaser’s property, assets, undertaking, records and documents. At the request of TargetCo, Purchaser will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of Purchaser’s business and any of its property or to enable TargetCo or its authorized representatives to obtain full access to all files and records relating to any of the assets of Purchaser maintained by governmental or other public authorities. The obligations in this Section

6.02(c) are subject to any access or disclosure contemplated herein not being otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained, provided that in such circumstance Purchaser will be required to disclose that information has been withheld on this basis. The exercise of any rights of inspection by or on behalf of TargetCo under this Section 6.02(c) will not mitigate or otherwise affect the representations and warranties of Purchaser hereunder;

- (d) except for non-substantive communications, and provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained (provided that in such circumstance Purchaser will be required to disclose that information has been withheld on this basis), furnish promptly to TargetCo (on behalf of the TargetCo Shareholders) a copy of each notice, report, schedule or other document or communication delivered, filed or received by Purchaser in connection with or related to the Transaction, any filings under Applicable Laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (e) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper, or advisable under all Applicable Laws to complete the Transaction as contemplated herein, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts, as applicable;
 - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either Purchaser or TargetCo before any Governmental Authority to the extent permitted by such authorities; and
 - (iii) fulfil all conditions and satisfy all provisions of this Agreement and the Transaction;
- (f) subject to Applicable Laws, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (g) conduct and operate its business and affairs only in the ordinary course consistent with past practice and use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons;
- (h) except as set forth in Section 6.02(a)(iii), not alter or amend its notice of articles or articles as the same exist at the date of this Agreement;
- (i) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set

forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:

- (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders;
 - (ii) increase or decrease its paid-up capital or purchase or redeem any shares; or
 - (iii) issue or enter into any commitment to issue any of its shares or securities convertible into, or rights, warrants or options to acquire, any such shares;
- (j) take all necessary corporate action and proceedings to approve and authorize the issuance of the Consideration Shares to the TargetCo Shareholders;
 - (k) prepare and file with all applicable securities commissions such notifications and fees necessary to permit, or that are required in connection with, the issuance of the Consideration Shares to the TargetCo Shareholders, in each case, on a basis exempt from the prospectus and registration requirements of the Applicable Securities Laws of the provinces of Canada and the states within the United States in which the TargetCo Shareholders are resident; and
 - (l) not to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of Purchaser (including those that are convertible or exchangeable into securities of Purchaser), other than as contemplated under this Agreement.

6.03 Covenants of TargetCo

TargetCo covenants and agrees with Purchaser that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) in a timely and expeditious manner, assist Purchaser in the preparation of the Disclosure Documents with respect to the Transaction, including providing such information in relation to the business, affairs, assets and properties of TargetCo as may be necessary to comply with Applicable Laws and the policies of the CSE;
- (b) ensure that the Disclosure Documents do not contain a misrepresentation as it relates to TargetCo, including in respect of its assets, liabilities, operations, business and properties;
- (c) to make available and afford Purchaser and its authorized representatives and, if requested by Purchaser, provide a copy of all title documents, contracts, financial statements, minute books, if any, securities registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to TargetCo to the extent that any such documents exist. TargetCo will afford Purchaser and its authorized representatives every reasonable opportunity to have free and unrestricted access to TargetCo's property, assets, undertaking, records, and documents. At the request of Purchaser, TargetCo will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of TargetCo's business and any of its property or to enable Purchaser or its authorized representatives to obtain full access to all files and

records relating to any of the assets of TargetCo maintained by governmental or other public authorities. The obligations in this Section 6.03(c) are subject to any access or disclosure contemplated herein not being otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained, provided that in such circumstance TargetCo will be required to disclose that information has been withheld on this basis. The exercise of any rights of inspection by or on behalf of Purchaser under this Section 6.03(c) will not mitigate or otherwise affect the representations and warranties of TargetCo hereunder.

- (d) except for non-substantive communications, and provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained (provided that in such circumstance TargetCo will be required to disclose that information has been withheld on this basis), furnish promptly to Purchaser a copy of each notice, report, schedule or other document or communication delivered, filed or received by TargetCo in connection with or related to the Transaction, any filings under Applicable Laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (e) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper, or advisable under all Applicable Laws to complete the Transaction, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts;
 - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either TargetCo or Purchaser before any Governmental Authority to the extent permitted by such authorities; and
 - (iii) fulfil all conditions and satisfy all provisions of this Agreement and the Transaction;
- (f) subject to Applicable Laws, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (g) conduct and operate its business and affairs only in the ordinary course consistent with past practice and use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons and, for greater certainty, it will not enter into any material transaction out of the ordinary course of business consistent with past practice without the prior consent of Purchaser, and TargetCo will keep Purchaser fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business, provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver could not be obtained;

- (h) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:
 - (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its TargetCo Securityholders;
 - (ii) increase or decrease its paid-up capital or purchase or redeem any shares; or
 - (iii) issue or enter into any commitment to issue any of its shares or securities convertible into, or rights, warrants or options to acquire any such shares;
- (i) obtain TargetCo Shareholders' Approval of the Transaction and take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Exchanged TargetCo Shares to Purchaser;
- (j) in a timely and expeditious manner, provide such information with respect to the TargetCo Securityholders as Purchaser may reasonably require in connection with the preparation of the Disclosure Documents with respect to the Transaction and as may be necessary to comply with Applicable Laws and the policies of the CSE; and
- (k) not encumber in any manner the Exchanged TargetCo Shares and ensure that, at the Time of Closing, the Exchanged TargetCo Shares are free and clear of all Liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances whatsoever.

ARTICLE VII TERMINATION

7.01 Termination

This Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written consent of the Parties;
- (b) by either TargetCo or Purchaser if the Closing will not have been consummated on or prior to the Termination Date, without liability to the terminating Party on account of such termination.

7.02 Effect of Termination

Upon termination of this Agreement in accordance with the terms hereof, the Parties will have no further obligations under this Agreement, other than the obligations contained in Sections 8.03 and 8.08.

**ARTICLE VIII
GENERAL**

8.01 Power of Attorney

TargetCo hereby represents and warrants that it is severally and irrevocably appointed as agent and attorney of each of the TargetCo Shareholders to take any action that is required under this Agreement or to execute and deliver any documents on their behalf, including without limitation, for the purposes of all Closing matters (including without limitation, the receipt of certificates representing the Consideration Shares) and deliveries of documents and do and cause to be done all such acts and things as may be necessary or desirable in connection with the closing matters for the Transaction. Without limiting the generality of the foregoing, TargetCo may, on its own behalf and on behalf of the TargetCo Shareholders, extend the Time of Closing, modify, or waive any conditions as are contemplated herein, negotiate, settle and deliver the final forms of any documents that are necessary or desirable to give effect to the Transaction, extend such time periods as may be contemplated herein or terminate this Agreement, in its absolute discretion, as it deems appropriate. The Purchaser will have no duty to enquire into the validity of any document executed or other action taken by TargetCo on behalf of the TargetCo Shareholders pursuant to this Article VIII.

8.02 Notices

Any notice, consent, waiver, direction, or other communication required or permitted to be given under this Agreement (each, a “**notice**”) will be in writing will be in writing addressed as follows:

- (a) if to Purchaser:

Neptra Foods Inc.
c/o 1500 Royal Centre, 1055 West Georgia Street
Vancouver, British Columbia V6E 4N7

Attention: Alex McAulay
E-mail: [Email redacted]

with a courtesy copy (which copy will not constitute notice to Purchaser) to:

McMillan LLP
1500 Royal Centre
1055 West Georgia Street
Vancouver, British Columbia V6E 4N7

Attention: Michael Shannon
E-mail: [Email redacted]

- (b) if to TargetCo:

Neptra Foods, Ltd.
7025 S. Revere Parkway, Ste. 100
Centennial, CO
80112 USA

Attention: Robert Hopp
Email: [Email redacted]

Or such other address as may be designated by notice given by either TargetCo or Purchaser to the other in accordance with this Section 8.02. Each notice will be personally delivered to the addressee or sent by e-mail to the addressee and a notice which is personally delivered or sent by email will, if delivered or sent prior to 4:00 p.m. (local time of the recipient) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the next Business Day.

8.03 Confidentiality

Prior to Closing and, if the Transaction is not completed, at all times thereafter, each of the Parties will keep confidential and refrain from using all information obtained by it in connection with the transactions contemplated by this Agreement relating to the other Party, provided however that such obligation will not apply to any information which was in the public domain at the time of its disclosure to a Party or which subsequently comes into the public domain other than as a result of a breach of such Party's obligations under this Section 8.03. For greater certainty, nothing contained herein will prevent any disclosure of information which may be required pursuant to Applicable Laws or pursuant to an order in judicial or administrative proceedings or any other order made by any Governmental Authority.

8.04 Assignment

No Party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other Party.

8.05 Binding Effect

This Agreement will be binding upon and will enure to the benefit of the Parties and their respective heirs, successors and permitted assigns.

8.06 Waiver

No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

8.07 Governing Law

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and is to be treated in all respects as a British Columbia contract. If a controversy or dispute arises between the Parties with regard to this Agreement, the Parties agree to submit such controversy or dispute first to mediation, and if that does not resolve the dispute, then to binding arbitration before a mediator and an arbitrator appointed by, and in accordance with the rules and procedures of the American Arbitration Association, or organization of similar stature located in Denver, Colorado, or a location otherwise agreed to by the Parties. The Parties agree to abide by the terms of any award rendered by the arbitrator, and the judgment upon any such award may be entered in any court having jurisdiction thereof. In addition to rendering a decision regarding such controversy or dispute, the arbitrator will award the prevailing Party, as determined by the arbitrator, such Party reasonable attorneys' fees and expenses in connection with such arbitration. If any Party commences a legal action based on a dispute or refuses to first attempt to resolve the matter through mediation and arbitration, then such Party will not be entitled to recover attorneys' fees, even if they would have otherwise been available to such Party in any such action.

8.08 Expenses

Each Party will be responsible for and bear all its own costs and expenses (including any legal, accounting, banking, broker's, finder's, consultant's or other fees or expenses) incurred in connection with the Transaction, including fees and expenses of its representatives incurred at any time in connection with pursuing or consummating the Transaction.

8.09 No personal Liability

- (a) No director, officer, employee, or agent of Purchaser will have any personal liability whatsoever to TargetCo under this Agreement or any other document delivered in connection with the Transaction on behalf of Purchaser.
- (b) No director, officer, employee, or agent of TargetCo (in such capacity) will have any personal liability whatsoever to Purchaser under this Agreement or any other document delivered in connection with the Transaction on behalf of TargetCo.

8.10 Time of Essence

Time is of the essence of this Agreement and of each of its provisions.

8.11 Public Announcements

TargetCo and Purchaser will co-operate with the other in releasing information concerning this Agreement and the transactions contemplated herein and will furnish to and discuss with the other drafts of all press and other releases prior to publication. No press release or other public announcement concerning the proposed transactions contemplated by this Agreement will be made by any Party without the prior consent of the other Party, such consent not to be unreasonably withheld or delayed; provided that nothing contained herein will prevent any Party at any time from furnishing any information to any Governmental Authority or to the public if required by applicable law.

8.12 Further Assurances

Each Party will, upon request but without further consideration, from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to and perform the provisions and intent of this Agreement and to complete the transactions contemplated herein.

8.13 Entire Agreement

This Agreement, together with the documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the Parties with respect to the subject matter hereof including the Plan of Share Exchange. There are no representations, warranties, covenants, or conditions with respect to the subject matter hereof except as contained in this Agreement and any document delivered pursuant to this Agreement.

8.14 Amendments

No amendment of any provision of this Agreement will be binding on any Party unless consented to in writing by such Party.

8.15 Severability

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

8.16 Remedies Cumulative

The rights and remedies of the Parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any Party of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect, or prejudice any other right or remedy to which such Party may be lawfully entitled for the same default or breach.

8.17 Counterparts

This Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile or any other electronically communicated method (*i.e.* PDF email attachment), each of which when executed and delivered will be deemed an original and all of which counterparts together will be deemed to constitute one and the same instrument.

8.18 Independent Legal Advice

EACH PARTY ACKNOWLEDGES, CONFIRMS AND AGREES THAT IT HAS HAD THE OPPORTUNITY TO SEEK AND WAS NOT PREVENTED OR DISCOURAGED BY ANY PARTY HERETO FROM SEEKING INDEPENDENT LEGAL ADVICE PRIOR TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THAT, IN THE EVENT THAT ANY PARTY DID NOT AVAIL ITSELF WITH THAT OPPORTUNITY PRIOR TO SIGNING THIS AGREEMENT, SUCH PARTY DID SO VOLUNTARILY WITHOUT ANY UNDUE PRESSURE AND AGREES THAT SUCH PARTY'S FAILURE TO OBTAIN INDEPENDENT LEGAL ADVICE WILL NOT BE USED BY IT AS A DEFENCE TO THE ENFORCEMENT OF ITS OBLIGATIONS UNDER THIS AGREEMENT.

[Remainder of page intentionally left blank; signature pages follow.]

IN WITNESS WHEREOF this Agreement has been executed by the Parties on the date first above written.

NEPRA FOODS INC.

By: "Alex McAulay"
Name: Alex McAulay
Title: CFO and Director

NEPRA FOODS, LTD.

By: "David Wood"
Name: David Wood
Title: Chief Executive Officer

SCHEDULE A

**PLAN OF SHARE EXCHANGE
BETWEEN
NEPRA FOODS INC. AND NEPRA FOODS, LTD.**

[See Attached]

PLAN OF SHARE EXCHANGE
NEPRA FOODS, LTD., A COLORADO CORPORATION
NEPRA FOODS INC., A BRITISH COLUMBIA CORPORATION

This plan of share exchange (this “**Plan of Share Exchange**”), made by and between Nepra Foods, Ltd., a Colorado corporation (“**Nepra CO**”), and Nepra Foods Inc., a British Columbia corporation (“**Nepra BC**”), sets forth the terms and conditions by which Nepra BC shall acquire all of the issued and outstanding shares in the common stock of Nepra CO pursuant to Colorado Revised Statutes 7-90-203.3 – Plan of Merger – Plan of Exchange and 7-90-203.4 – Approval of Plan of Merger or Exchange. This Plan of Share Exchange is made pursuant to and subject to the provision of that certain Share Exchange Agreement dated April 6, 2021 between Nepra CO and Nepra BC (the “**Share Exchange Agreement**”).

RECITALS

WHEREAS, the total number of authorized and outstanding shares in the common stock of Nepra CO (the “**Nepra CO Shares**”) is as follows:

100,000,000 authorized Nepra CO Shares, of which 743,253.58 Nepra CO Shares are outstanding.

WHEREAS, the boards of directors of Nepra CO and Nepra BC have determined that it is advisable and in the best interests of their respective corporations for all of the holders of Nepra Co Shares to exchange (the “**Share Exchange**”) their Nepra Co Shares for common shares (“**Common Shares**”) and Class A common shares (“**Class A Shares**”) in the capital of Nepra BC (collectively, the “**Nepra BC Securities**”), as set forth in this Plan of Share Exchange.

WHEREAS, the board of directors of Nepra CO has recommended that holders of Nepra CO Shares (the “**Nepra CO Shareholders**”) approve this Plan of Share Exchange.

NOW, THEREFORE, Nepra CO and Nepra BC hereby agree upon and adopt this Plan of Share Exchange.

I. TERMS AND CONDITIONS

1.1 Terms of Exchange

In consideration for the exchange and acquisition of the issued and outstanding Nepra CO Shares, Nepra BC will, on the Effective Date (as defined herein), issue from treasury to Nepra Co Shareholders, pro rata in proportion to their holdings of Nepra CO Shares, certain Nepra BC Securities (each a “**Consideration Share**” and collectively, the “**Consideration Shares**”) on the following basis:

- (a) U.S. Nepra CO Shareholders (as defined below) will receive 56.5082 Common Shares in the capital of Nepra BC for each (1) Nepra CO Share with respect to 10% of the Nepra CO Shares held by each U.S. Nepra CO Shareholder and 0.565082 of a Class A Share for each (1) Nepra CO Share with respect to the remaining 90% of the Nepra CO Shares held by each U.S. Nepra CO Shareholder; and
- (b) Each non-U.S. Nepra CO Shareholder will receive 56.5082 Common Shares in the capital of Nepra BC for each (1) Nepra CO Share held by such non-U.S. Nepra CO Shareholder.

1.2 Fractional Shares

To the extent a Nepra CO Shareholder is to receive a fractional Common Share in the capital of Nepra BC, the entitlement will be rounded down to the nearest whole number without compensation therefor. To the extent a U.S. Nepra CO Shareholder is to receive a fractional Class A Share in the capital of Nepra BC, that entitlement will be rounded up or down to the nearest second decimal place without compensation therefor. For greater certainty, in the event any U.S. Nepra CO Shareholder exchanges 10,000 Nepra CO Shares, such shares will be exchanged for 56,508 Common Shares and 5,085.74 Class A Shares.

1.3 Effective Date

- (a) This Plan of Share Exchange is made pursuant to and subject to the provisions of the Share Exchange Agreement.
- (b) After the adoption of this Plan of Share Exchange by the vote of the requisite number of Nepra CO Shareholders or by the written consent of all the Nepra CO Shareholders, this Plan of Share Exchange shall become effective on the date the Statement of Owners' Interest Exchange (Acquiring Entity is a Foreign Entity) has been filed with the Colorado Secretary of State (the "**Effective Date**").

1.4 Effect of Share Exchange

Upon the Effective Date, Nepra CO shall become a wholly owned subsidiary of the Nepra BC.

II. CERTIFICATES AND PAYMENTS

2.1 Issuance of Consideration Shares

- (a) Subject to Section 2.1(b), Nepra CO Shareholders need not surrender certificates or direct registration statements (applicable to shares held in uncertificated book-entry form) ("**DRS**") representing their Nepra CO Shares in order to receive the Consideration Shares contemplated by Section 1.1(a) and Section 1.1(b). Instead, on the Effective Date, Consideration Shares will be issued to each registered holder of Nepra CO Shares (and if applicable, delivery by such registered holder to any underlying beneficial holder) and any outstanding certificates or DRS representing Nepra CO Shares will be deemed to be null and void.
- (b) Each U.S. Nepra CO Shareholder must complete, execute, and deliver to Nepra BC the U.S. Representation Letter (as defined in and attached as Schedule "D" to the Share Exchange Agreement). As soon as practicable following the later of the Effective Date and the delivery to Nepra BC by or on behalf of a former U.S. Nepra CO Shareholder of a duly completed U.S. Representation Letter and such additional documents and instruments as Nepra BC may reasonably require, the former U.S. Nepra CO Shareholder will be entitled to receive the Consideration Shares which such former holder is entitled to receive pursuant to Section 1.1(a). For the purposes of this Plan of Share Exchange, "**U.S. Nepra CO Shareholder**" has the meaning ascribed to "U.S. TargetCo Shareholder" in the Share Exchange Agreement.
- (c) From and after the Effective Date, each certificate or DRS which immediately prior to the Effective Date represented Nepra CO Shares will be deemed after the Effective Date to

represent only the right to receive from Nepra BC the applicable Consideration Shares in lieu of such certificate or DRS.

III. CHARTER DOCUMENTS, DIRECTORS AND OFFICERS

3.1 Articles of Incorporation and Bylaws

The notice of articles and articles of Nepra BC, as in effect on the Effective Date, shall continue to be the notice of articles and articles of Nepra BC upon completion of the Share Exchange until amended in accordance with the provisions thereof and applicable law.

3.2 Directors and Officers of Nepra CO

The directors of Nepra CO shall continue in office for their current term and until their successors are elected and qualified, or until their death, resignation, or removal. The officers of Nepra CO shall become the officers of Nepra BC on the Effective Date and shall serve at the pleasure of the board of directors of Nepra BC.

IV. CONDITIONS TO EXCHANGE

The consummation of the Share Exchange and the other transactions contemplated by this agreement is subject to the principal terms of this Plan of Share Exchange having been approved by the Nepra CO Shareholders prior to or on the Effective Date and the other conditions to the Share Exchange set forth in the Share Exchange Agreement.

V. MISCELLANEOUS

5.1 Service of Process in Colorado

Nepra BC hereby appoints Robert John Hopp as its registered agent having an address of 7025 S. Revere Parkway, Ste. 100, Centennial, CO 80112 to accept service in any proceeding to enforce any obligation or rights of shareholders seeking appraisal rights in Nepra CO or in any proceeding based on a cause of action arising with respect to Nepra CO.

5.2 Payments to Shareholders Exercising Appraisal Rights

Nepra CO agrees that it will promptly pay to the Nepra CO Shareholders exercising appraisal rights (“**Appraisal Rights**”) the amount, if any, to which they are entitled under sections 7-113-101 to 103 of the Colorado Revised Statutes.

5.3 Abandonment

At any time before the Effective Date, this Plan of Share Exchange may be terminated and abandoned by agreement of the boards of directors of Nepra CO and Nepra BC, notwithstanding approval of this Plan of Share Exchange by Nepra CO Shareholders.

5.4 Amendment

At any time before the Effective Date, this Plan of Share Exchange may be amended, modified, or supplemented by the boards of directors of the parties hereto, notwithstanding approval of this Plan of Share Exchange by Nepra CO Shareholders; provided, however, that no such amendment, modification or

supplement shall change any of the principal terms of this Plan of Share Exchange unless approved by the shareholders.

5.5 Further Assurances

From time to time on and after the Effective Date, each party hereto agrees that it will execute and deliver or cause to be executed and delivered all such further assignments, assurances, or other instruments, and shall take or cause to be taken all such further actions, as may be necessary or desirable to complete the Share Exchange provided for herein and the other transactions contemplated by this Plan of Share Exchange.

5.6 Counterparts

This Plan of Share Exchange may be executed in one or more counterparts and may be executed and delivered by electronic transmission, all of which taken together shall be deemed to constitute one and the same Plan of Share Exchange.

[Remainder of page intentionally left blank; signature page to follows]

IN WITNESS WHEREOF, this Plan of Share Exchange, having first been duly approved by the board of directors of Nepra CO and Nepra BC, is hereby executed on behalf of each of said corporations by their respective officers thereunto duly authorized.

NEPRA FOODS INC.

NEPRA FOODS, LTD.

By: _____

Name: Alex McAulay

Title: Director

Date: April 13, 2021

By: _____

Name: David Wood

Title: Chief Executive Officer

Date: April 13, 2021

SCHEDULE B

TARGETCO SHAREHOLDERS

No.	Name and Address of TargetCo Shareholder	Number of Target CoShares	Consideration Shares
1.	David Wood [Address redacted]	99,857.29	564,275 Common Shares 50,784.80 Class A Shares
2.	Paul Feldman [Address redacted]	47,500	268,413 Common Shares 24,157.26 Class A Shares
3.	Chadwick White [Address redacted]	142,750	806,654 Common Shares 72,598.91 Class A Shares
4.	Marc Olmsted [Address redacted]	42,750	241,572 Common Shares 21,741.53 Class A Shares
5.	Everestt, LLC [Address redacted]	70,572	398,789 Common Shares 35,891.07 Class A Shares
6.	Robert G. Wood and Co., Inc. [Address redacted]	91,429	516,648 Common Shares 46,498.39 Class A Shares
7.	Robert Hopp [Address redacted]	42,857.29	242,178 Common Shares 21,796.09 Class A Shares
8.	Danny McAulay [Address redacted]	10,922	617,182 Common Shares
9.	ACM Management Inc. [Address redacted]	17,651	997,426 Common Shares
10.	P.I. Holdings Inc. [Address redacted]	16,813	950,072 Common Shares
11.	A2 Capital Management Inc. [Address redacted]	45,126	2,549,989 Common Shares
12.	Barry Larson [Address redacted]	38,047	2,149,967 Common Shares
13.	Jeremy Poirier [Address redacted]	45,126	2,549,989 Common Shares
14.	Lorraine Tamburrino [Address redacted]	18,581	1,049,978 Common Shares
15.	R2A2 Holdings Inc. [Address redacted]	13,272	749,976 Common Shares

SCHEDULE C

SPECIAL RIGHTS AND RESTRICTIONS FOR CLASS A COMMON SHARES

OF

NEPRA FOODS INC.

[See Attached]

PART 27

SPECIAL RIGHTS AND RESTRICTIONS FOR CLASS A COMMON SHARES

27.1 Number.

The Company shall have the authority to issue an unlimited number of Class A Common Shares, which are hereby designated “*Class A Common Shares*”, which are also referred to herein as the “*Class A Convertible Securities*”.

27.2 Dividend Rights.

The holders of Class A Common Shares (the “*Class A Convertible Securities Holders*”), shall have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as converted basis, assuming conversion of all shares of Class A Common Shares into Common Shares at the applicable Conversion Ratio) as to dividends and any declaration or payment of any dividend on the Common Shares.

27.3 Liquidation Rights.

(a) In the event of any Liquidation Event, either voluntary or involuntary, the Class A Convertible Securities Holders and Common Shares shall be entitled to receive the assets of the Company available for distribution to shareholders, distributed among the holders of Class A Common Shares and Common Shares on a pro rata basis, based on (i) the number of Common Shares and (ii) the number of Class A Common Shares (on an as converted basis, assuming conversion of all shares of Class A Common Shares into Common Shares at the applicable Conversion Ratio) issued and outstanding on the record date.

(b) For purposes of this Section 3, a “*Liquidation Event*” shall mean a liquidation, dissolution or winding up of the Company shall be deemed to be occasioned by, or to include, (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation but, excluding any merger effected exclusively for the purpose of changing the domicile of the Company); or (ii) a sale of all or substantially all of the assets of the Company; unless the Company’s shareholders of record as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the Company’s acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity; or (iii) any voluntary or involuntary liquidation, dissolution, winding up or other similar proceeding of the Company.

27.4 Voting Rights.

(a) The holders of Class A Common Shares shall have the right to one vote for each Common Share into which such Class A Common Shares could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Shares, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders’ meeting and shall be entitled to vote, together with holders of Common Shares, with respect to any question upon which holders of Common Shares have the right to vote. Fractional votes

shall not, however, be permitted and any fractional voting rights available on an as converted basis (after aggregating all Common Shares into which Class A Common Shares could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law, by the provisions of paragraph (b) below, Class A Convertible Securities Holders shall vote the Class A Common Shares together with the holders of Common Shares as a single class.

(b) In addition to any other rights provided by law, the Company shall not amend, alter or repeal the preferences, special rights or other powers of the Class A Common Shares or any other provision of the Company's articles that would adversely affect the rights of the Class A Convertible Securities Holders, without the written consent of all of the holders of the then outstanding Class A Common Shares, or by the affirmative vote at a meeting of the holders of Class A Common Shares separately as a class by way of a special separate resolution (a "***Class A Special Majority Vote***").

27.5 Conversion.

Subject to the Conversion Limitations set forth in Section 27.6, Class A Convertible Securities Holders shall have conversion rights as follows (the "***Conversion Rights***"):

(a) **Right to Convert.** Each Class A Common Share shall be convertible, at the option of the Class A Convertible Securities Holder thereof, at any time after the date of issuance of such share at the office of the Company or any transfer agent for such shares, into such number of fully paid and non-assessable Common Shares as is determined by multiplying the number of Class A Common Share by the Conversion Ratio applicable to such share, determined as hereafter provided, in effect on the date the Class A Common Share is surrendered for conversion. The initial "***Conversion Ratio***" for each Class A Common Share shall be as follows: each Class A Common Share shall be convertible into one hundred (100) Common Shares; *provided, however*, that the applicable Conversion Ratio shall be subject to adjustment as set forth in subsections 27.5(d) and 27.5(e).

(b) **Other Conversion.** Each Class A Common Share shall be converted without further action by the Class A Convertible Securities Holder into Common Shares at the applicable Conversion Ratio immediately upon the earlier of:

- (i) a Liquidation Event, if conversion is then required by the Company;
- (ii) conversion called for by the Class A Convertible Securities Holders, on the date specified by the unanimous written consent of the Class A Convertible Securities Holders or the affirmative Class A Special Majority Vote at a meeting of the Class A Convertible Securities Holders; or
- (iii) a Registration Event Conversion pursuant to Section 27.7.

(c) **Mechanics of Conversion.** Before any Class A Convertible Securities Holder shall be entitled to convert Class A Convertible Securities into Common Shares, the Class A Convertible Securities Holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or of any transfer agent for Common Shares, and shall give written notice to the Company at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for Common Shares are to be issued (each, a "***Conversion Notice***"). The Company shall (or shall cause its transfer agent to), as soon as practicable thereafter, issue and deliver at such office to such Class A Convertible Securities Holder, or to the nominee or nominees of such holder, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close

of business on the date of such surrender of the Class A Convertible Securities to be converted, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Shares as of such date.

(d) Adjustments for Distributions. In the event the Company shall declare a distribution to holders of Common Shares payable in securities of other persons, evidences of indebtedness issued by the Company or other persons, assets (excluding cash dividends) or options or rights not otherwise causing adjustment to the Conversion Ratio (a “*Distribution*”), then, in each such case for the purpose of this subsection 27.5(d), the Class A Convertible Securities Holders shall be entitled to a proportionate share of any such Distribution as though they were the holders of the number of Common Shares into which their Class A Convertible Securities are convertible as of the record date fixed for the determination of the holders of Common Shares entitled to receive such Distribution.

(e) Recapitalizations; Stock Splits. If at any time or from time-to-time, Company shall (i) effect a recapitalization of the Common Shares; (ii) issue Common Shares as a dividend or other distribution on outstanding Common Shares; (iii) subdivide the outstanding Common Shares into a greater number of Common Shares; (iv) consolidate the outstanding Common Shares into a smaller number of Common Shares; or (v) effect any similar transaction or action not otherwise causing adjustment to the Conversion Ratio (each, a “*Recapitalization*”), provision shall be made so that the Class A Convertible Securities Holders shall thereafter be entitled to receive, upon conversion of Class A Convertible Securities, the number of Common Shares or other securities or property of the Company or otherwise, to which a holder of Common Shares deliverable upon conversion would have been entitled on such Recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 27.5 with respect to the rights of the Class A Convertible Securities Holders after the Recapitalization to the end that the provisions of this Section 27.5 (including adjustment of the Conversion Ratio then in effect and the number of Common Shares acquirable upon conversion of Class A Common Shares) shall be applicable after that event as nearly equivalent as may be practicable.

(f) No Impairment. The Company will not, by amendment of its Articles or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 27.5 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the Class A Convertible Securities Holders against impairment.

(g) No Fractional Shares and Certificate as to Adjustments. No fractional Common Shares shall be issued upon the conversion of any Class A Convertible Securities and the number of Common Shares to be issued shall be rounded down to the nearest whole Common Share. Whether or not fractional Common Shares are issuable upon such conversion shall be determined on the basis of the total number of Class A Convertible Securities the Class A Convertible Securities Holder is at the time converting into Common Shares and the number of Common Shares issuable upon such aggregate conversion.

(h) Adjustment Notice. Upon the occurrence of each adjustment or readjustment of the Conversion Ratio pursuant to this Section 27.5, the Company, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each Class A Convertible Securities Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request at any time of any Class A Convertible Securities Holder, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion

Ratio for Class A Common Shares at the time in effect, and (C) the number of Common Shares and the amount, if any, of other property which at the time would be received upon the conversion of a Class A Common Share.

(i) Effect of Conversion. All Class A Common Shares that shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the time of conversion, except only the right of the holders thereof to receive Common Shares in exchange therefor and to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion.

(j) Notices of Record Date. Except as otherwise provided under applicable law, in the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of any class or any other securities or property, or to receive any other right, the Company shall mail to each Class A Convertible Securities Holder, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

27.6 Conversion Limitations.

Before any Class A Convertible Securities Holder shall be entitled to convert Class A Convertible Securities into Common Shares, the Board of Directors (or a committee thereof) shall designate an officer of the Company to determine if any Conversion Limitation set forth in this Section 27.6 shall apply to the conversion of Class A Common Shares. For the purposes of this Section 27.6, each of the following is a “**Conversion Limitation**”:

(a) Foreign Private Issuer Protection Limitation: The Company will use commercially reasonable efforts to maintain its status as a “foreign private issuer” (as determined in accordance with Rule 3b-4 under the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)). Accordingly:

(i) 40% Threshold. Except as provided in Section 27.7, the Company shall not affect any conversion of Class A Common Shares, and the Convertible Securities Holders shall not have the right to convert any portion of the Class A Common Shares pursuant to Section 27.5 or otherwise, to the extent that after giving effect to such issuance after conversions, the aggregate number of Common Shares and Class A Common Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rule 3b-4 under the Exchange Act) would exceed forty percent (40%) (the “**40% Threshold**”) of the aggregate number of Common Shares and Class A Common Shares issued and outstanding (the “**FPI Protective Restriction**”).

(ii) Conversion Limitations. In order to effect the FPI Protective Restriction, each Convertible Securities Holder will be subject to the 40% Threshold based on the number of Class A Common Shares held by such Class A Convertible Securities Holder as of the date of the initial issuance of Class A Common Shares and thereafter on the last business day at the end of each of the Company’s subsequent fiscal quarters (each, a “**Determination Date**”) for the current fiscal quarter (the “**Relevant Fiscal Quarter**”), calculated as follows:

$$X = [(A \times 0.4) - B] \times (C/D)$$

Where on the Determination Date:

X = Maximum Number of Common Shares Available For issuance upon Conversion of Class A Common Shares by the Class A Convertible Securities Holder during the Relevant Fiscal Quarter.

A = The number of Common Shares and Class A Common Shares issued and outstanding on the Determination Date.

B = Aggregate number of Common Shares and Class A Common Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rule 3b-4 under the Exchange Act) on the Determination Date.

C = Aggregate number of Common Shares issuable upon conversion of Class A Common Shares held by the Class A Convertible Securities Holder on the Determination Date.

D = Aggregate number of all Common Shares issuable upon conversion of all Class A Common Shares on the Determination Date.

(iii) Determination of FPI Protective Restriction. For purposes of subsections 27.6(a)(i) and 27.6(a)(ii), the Board of Directors (or a committee thereof) shall designate an officer of the Company to determine as of each Determination Date: (A) the 40% Threshold and (B) the FPI Protective Restriction. To the extent that the FPI Protective Restriction contained in this Section 27.6(a) applies, and subject to the right of a Convertible Securities Holder to convert for eventual sale any “Excluded Securities” (as defined in Section 27.6(a)(v) below), the determination of whether Class A Common Shares are convertible shall be in the sole discretion of the Company.

(iv) Notice of Conversion Limitation. Upon a determination of the 40% Threshold and the FPI Protective Restriction, the Company will provide each Convertible Securities Holder of record notice of the FPI Protective Restriction applicable to holders of Class A Common Shares for the Relevant Fiscal Quarter within thirty (30) days of the end of each Determination Date (a “*Notice of Conversion Limitation*”). The FPI Protective Restriction shall be stated as a percentage of the Class A Common Shares issued and outstanding on the Determination Date by holders of Class A Common Shares.

For example, if on a Determination Date (September 30, 2021) the maximum number of Common Shares available for issuance upon conversion of Class A Common Shares by the Class A Shareholder holding 1,000 Class A Common Shares is 30,000 Common Shares, the FPI Protective Restriction will apply to 700 Class A Common Shares (70%) and an aggregate of 300 Class A Common Shares (30%) may be converted during the Relevant Fiscal Quarter. The Notice of Conversion Limitation will state that “Pursuant to Section 27.6 of the Special Rights and Restrictions for Class A Common Shares of **[the Corporation]**, the FPI Protective Restriction applies to **[70%]** of the issued and outstanding Class A Common Shares as of the Determination Date (**[September 30, 2021]**) and up to **[30%]** of your Class A Common Shares may be converted into Common Shares during the fiscal Quarter ending **[December 31, 2021]**.”

(v) Disputes. In the event of a dispute as to the number of Common Shares issuable to a Class A Convertible Securities Holder in connection with a conversion of Class A Common

Shares, the Company shall issue to the Convertible Securities Holder the number of Common Shares not in dispute and resolve such dispute in accordance with Section 27.11.

27.7 **Registration Event Conversion.**

(a) Notwithstanding subsection 27.6(a), the Company may require each Class A Convertible Securities Holder to convert all, and not less than all, the Convertible Securities at the applicable Conversion Ratio (a “**Registration Event Conversion**”) if at any time after September 30, 2022, all the following conditions are satisfied (or otherwise waived by the Class A Special Majority Vote):

(i) the Common Shares issuable upon conversion of all the Class A Common Shares are registered for resale and may be sold by the Class A Shareholder pursuant to an effective registration statement and/or prospectus covering the Common Shares under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”);

(ii) the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act; and

(iii) the Common Shares are listed or quoted (and are not suspended from trading) on a national securities exchange in the United States registered under Section 6 of the Exchange Act, or quoted in a “U.S. automated inter-dealer quotation system”, as such term is used for purposes of Rule 144A(d)(3)(i).

(b) The Company will issue or cause its transfer agent to issue each Class A Convertible Securities Holder of record a Registration Event Conversion Notice at least 20 days prior to the record date of the Registration Event Conversion, which shall specify therein, (i) the number of Common Shares into which the Class A Convertible Securities are convertible and (ii) the address of record for such Class A Convertible Securities Holder. On the record date of a Registration Event Conversion, the Company will issue or cause its transfer agent to issue each Class A Convertible Securities Holder of record on the record date of such Registration Event Conversion certificates representing the number of Common Shares into which the Class A Convertible Securities are so converted and each certificate representing the Class A Common Shares shall be null and void.

27.8 **Pre-emptive Rights.** The holders of Class A Convertible Securities shall have no preemptive rights.

27.9 **Notices.** Any notice required by the provisions of these Special Rights and Restrictions to be given to the Class A Convertible Securities Holders shall be deemed given if deposited with Canada Post, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Company.

27.10 **Status of Converted Shares.** Any Class A Convertible Securities converted shall be retired and cancelled and may not be reissued as shares of such class or any other class or series

27.11 **Disputes.** Any Class A Convertible Securities Holder that beneficially owns more than 5% of the issued and outstanding Class A Common Shares may submit a written dispute as to the determination of the Conversion Ratio or the arithmetic calculation of the Conversion Ratio, 40% Threshold, or the FPI Protective Restriction to the Board of Directors with the basis for the disputed determinations or arithmetic calculations. The Company shall respond to the Class A Convertible Securities Holder within

five (5) Business Days of receipt, or deemed receipt, of the dispute notice with a written calculation of the Conversion Ratio, 40% Threshold, or the FPI Protective Restriction, as applicable. If the Class A Convertible Securities Holder and the Company are unable to agree upon such determination or calculation of the Conversion Ratio, or the FPI Protective Restriction, as applicable, within five (5) Business Days of such response, then the Company and the Class A Convertible Securities Holder shall, within one (1) Business Day thereafter submit the disputed arithmetic calculation of the Conversion Ratio, or the FPI Protective Restriction to the Company's independent, outside accountant. The Company, at the Company's expense, shall cause the accountant to perform the determinations or calculations and notify the Company and the Class A Convertible Securities Holder of the results no later than five (5) Business Days from the time it receives the disputed determinations or calculations. Such accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

SCHEDULE D

U.S. REPRESENTATION LETTER FOR U.S. TARGETCO SHAREHOLDERS

TO: NEPRA FOODS INC. (“Nepra BC”)

RE: Acquisition of securities (the “Securities”) of Nepra BC pursuant to the Share Exchange Agreement, dated April 6, 2021, between Nepra BC and Nepra Foods, Ltd. (“Nepra CO”) (the “Share Exchange Agreement”)

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

In addition to the covenants, representations and warranties contained in the Share Exchange Agreement to which this Schedule is attached, the undersigned (the “**U.S. TargetCo Shareholder**”) covenants, represents, and warrants to Nepra BC that:

- (a) It has such knowledge, skill, and experience in financial, investment and business matters as to be capable of evaluating the merits and risks of an investment in the Securities and it is able to bear the economic risk of loss of its entire investment. To the extent necessary, the U.S. TargetCo Shareholder has retained, at his or her own expense, and relied upon, appropriate professional advice regarding the investment, tax and legal merits and consequences of the Share Exchange Agreement and owning the Securities.
- (b) Nepra BC has provided to it the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and it has had access to such information concerning Nepra BC as it has considered necessary or appropriate in connection with its investment decision to acquire the Securities, and that any answers to questions and any request for information have been complied with to the U.S. TargetCo Shareholder’s satisfaction.
- (c) It is acquiring the Securities for its own account, for investment purposes only and not with a view to any resale or distribution and, in particular, it has no intention to distribute either directly or indirectly the Securities in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States; provided, however, that this paragraph will not restrict the U.S. TargetCo Shareholder from selling or otherwise disposing of the Securities pursuant to registration thereof pursuant to the U.S. Securities Act and any applicable state securities laws or under an exemption from such registration requirements.
- (d) The address of the U.S. TargetCo Shareholder set out in the signature block below is the true and correct principal address of the U.S. TargetCo Shareholder and can be relied on by Nepra BC for the purposes of state blue-sky laws and the U.S. TargetCo Shareholder has not been formed for the specific purpose of purchasing the Securities.
- (e) It understands (i) the Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States; and (ii) the offer and sale contemplated hereby is being made in reliance on an exemption from such registration requirements in reliance on Rule 506(b) of Regulation D of the U.S. Securities Act.
- (f) The U.S. TargetCo Shareholder is:
 1. (i) an “accredited investor” as defined in Rule 501(a) of Regulation D of the U.S. Securities Act by virtue of meeting one of the following criteria set forth in Appendix “A” hereto (**please hand-write your initials on the appropriate lines on Appendix “A”**), which Appendix “A” forms an integral part hereof; or

2. (ii) is not an “accredited investor” as defined in Rule 501(a) of Regulation D of the U.S. Securities Act, has a pre-existing substantive relationship with Nepra BC, has such knowledge and experience in financial and business matters that he/she/it is capable of evaluating the merits and risks of the prospective investment, and has completed Appendix “B” hereto, which forms an integral part hereof.

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

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

(i) to Nepra BC;

(ii) outside the United States in an “offshore transactions” meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act, if available, and in compliance with applicable local laws and regulations;

(iii) in compliance with the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or “blue sky” laws; or

(iv) in a transaction that does not require registration under the U.S. Securities Act or any applicable state securities laws governing the offer and sale of securities,

and, in the case of each of (iii) and (iv) above, it has prior to such sale furnished to Nepra BC an opinion of counsel in form and substance reasonably satisfactory to Nepra BC stating that such transaction is exempt from registration under applicable securities laws and that the legend referred to in paragraph (k) below may be removed.

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

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

(k) The certificates representing the Securities issued hereunder, as well as all certificates issued in exchange for or in substitution of the foregoing, until such time as the same is no longer required

under the applicable requirements of the U.S. Securities Act or applicable state securities laws and regulations, will bear, on the face of such certificate, the following legend:

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

provided, that if the Securities were issued at a time when Nepra BC is a “foreign issuer” as defined in Rule 902 of Regulation S under the U.S. Securities Act, and are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S and in compliance with Canadian local laws and regulations, the legend set forth above may be removed by providing an executed declaration to the registrar and transfer agent of Nepra BC, in substantially the form set forth as Appendix “C” attached hereto (or in such other forms as Nepra BC may prescribe from time to time) and, if requested by Nepra BC or the transfer agent, an opinion of counsel of recognized standing in form and substance reasonably satisfactory to Nepra BC and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S; and provided, further, that, if any Securities are being sold otherwise than in accordance with Regulation S and other than to Nepra BC, the legend may be removed by delivery to the registrar and transfer agent and Nepra BC of an opinion of counsel, of recognized standing reasonably satisfactory to Nepra BC, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

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

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

- (m) It understands and agrees that there may be material tax consequences to the U.S. TargetCo Shareholder of an acquisition, holding or disposition of any of the Securities. Nepra BC gives no opinion and makes no representation with respect to the tax consequences to the U.S. TargetCo Shareholder under United States, state, local or foreign tax law of the undersigned's acquisition, holding or disposition of such Securities. In particular, no determination has been made whether Nepra BC will be a "passive foreign investment company" within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended.
- (n) It consents to Nepra BC making a notation on its records or giving instructions to any transfer agent of Nepra BC in order to implement the restrictions on transfer set forth and described in this certification and the Share Exchange Agreement.
- (o) It understands and agrees that the financial statements of Nepra BC have been or will be prepared in accordance with International Financial Reporting Standards and therefore may be materially different from financial statements prepared under U.S. generally accepted accounting principles and therefore may not be comparable to financial statements of United States companies.
- (p) It understands and acknowledges that Nepra BC is incorporated outside the United States, consequently, it may be difficult to provide service of process on Nepra BC and it may be difficult to enforce any judgment against Nepra BC.
- (q) It understands that Nepra BC does not have any obligation to register the Securities under the U.S. Securities Act or any applicable state securities or "blue-sky" laws or to take action so as to permit resales of the Securities. Accordingly, the U.S. TargetCo Shareholder understands that absent registration, it may be required to hold the Securities indefinitely. As a consequence, the U.S. TargetCo Shareholder understands it must bear the economic risks of the investment in the Securities for an indefinite period of time.

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

ONLY U.S. SECURITYHOLDERS NEED COMPLETE AND SIGN

Dated _____ 20__.

X _____
Signature of individual (if U.S. TargetCo
Shareholder **is** an individual)

X _____
Authorized signatory (if U.S. TargetCo
Shareholder is **not** an individual)

Name of U.S. TargetCo Shareholder (**please print**)

Address of U.S. TargetCo Shareholder (**please
print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please
print**)

Appendix “A” to

U.S. REPRESENTATION LETTER FOR U.S. TARGETCO SHAREHOLDERS

TO BE COMPLETED BY U.S. TARGETCO SHAREHOLDERS THAT ARE U.S. ACCREDITED INVESTORS

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

- _____ Category 1. A bank, as defined in Section 3(a)(2) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
- _____ Category 2. A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
- _____ Category 3. A broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended; or
- _____ Category 4. An investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; or
- _____ Category 5. An investment adviser relying on the exemption from registering with the United States Securities and Exchange Commission (the “**Commission**”) under section 203(l) or (m) of the Investment Advisers Act of 1940; or
- _____ Category 6. An insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; or
- _____ Category 7. An investment company registered under the United States Investment Corporation Act of 1940; or
- _____ Category 8. A business development company as defined in Section 2(a)(48) of the United States Investment Corporation Act of 1940; or
- _____ Category 9. A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States Small Business Investment Act of 1958; or
- _____ Category 10. A rural business investment company as defined in section 384A of the Consolidated Farm and Rural Development Act; or
- _____ Category 11. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of US\$5,000,000; or

- _____ Category 12. An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974 in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of US\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are U.S. Accredited Investors; or
- _____ Category 13. A private business development company as defined in Section 202(a)(22) of the United States Investment Advisers Act of 1940; or
- _____ Category 14. An organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, a corporation, a limited liability company, a Massachusetts or similar business trust, a partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US\$5,000,000; or
- _____ Category 15. Any director or executive officer of the Company; or
- _____ Category 16. A natural person (including an IRA (Individual Retirement Account) owned by such person) whose individual net worth, or joint net worth with that person's spouse or spousal equivalent (being a cohabitant occupying a relationship generally equivalent to that of a spouse), excluding the value of that person's primary residence net of any mortgage obligation secured by the property, exceeds US\$ 1,000,000 (**note:** for the purposes of calculating net worth: (i) the person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability; (iv) for the purposes of calculating joint net worth of the person and that person's spouse or spousal equivalent, (A) joint net worth can be the aggregate net worth of the investor and spouse or spousal equivalent, and (B) assets need not be held jointly to be included in the calculation; and (v) reliance by the person and that person's spouse or spousal equivalent on the joint net worth standard does not require that the securities be purchased jointly); or
- _____ Category 17. A natural person (including an IRA (Individual Retirement Account) owned by such person) who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
- _____ Category 18. A trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a

sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or

_____ Category 18a. A revocable trust which may be revoked or amended by its settlors (creators), each of whom is a U.S. Accredited Investor (**note: if this category is selected, you must furnish a supplementary representation letter from each settlor confirming how such settlor qualifies as a U.S. Accredited Investor**); or

_____ Category 19. Any entity in which all of the equity owners meet the requirements of at least one of the above categories.

If you checked Category 19, please indicate the name and category of U.S Accredited Investor (by reference to the applicable number in this section 2(e)) of each equity owner:

Name of Equity Owner	Category of U.S. Accredited Investor

Note: It is permissible to look through various forms of equity ownership to natural persons in determining the U.S. Accredited Investor status of entities under this category. If those natural persons are themselves U.S. Accredited Investors, and if all other equity owners of the entity seeking U.S. Accredited Investor status are U.S. Accredited Investors, then this category will be available.

_____ Category 20. An entity, of a type not listed in Categories 1-14, 18 or 19, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of US\$5,000,000 (**note: for the purposes of this Category 20, “investments” is defined in Rule 2a51-1(b) under the Investment Company Act of 1940**); or

_____ Category 21. A natural person holding in good standing one or more of the following professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for U.S. Accredited Investor status, including an IRA (Individual Retirement Account) owned by such person: The General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), and the Licensed Investment Adviser Representative (Series 65); or

_____ Category 22. A “family office,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940: (i) with assets under management in excess of US\$5,000,000, (ii) that is not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investment is directed by a person (a “**Knowledgeable Family Office Administrator**”) who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; or

_____ Category 23. A “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements set forth in Category 23 above and whose prospective investment in the Company is directed

by such family office with the involvement of the Knowledgeable Family Office Administrator.

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

Dated _____ 20__.

X _____
Signature of individual (if U.S. TargetCo Shareholder **is** an individual)

X _____
Authorized signatory (if U.S. TargetCo Shareholder is **not** an individual)

Name of U.S. TargetCo Shareholder (**please print**)

Address of U.S. TargetCo Shareholder (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

Appendix “B” to

U.S. REPRESENTATION LETTER FOR U.S. TARGETCO SHAREHOLDERS

TO BE COMPLETED BY U.S. TARGETCO SHAREHOLDERS THAT ARE NOT U.S. ACCREDITED INVESTORS

In addition to the covenants, representations and warranties contained in the Share Exchange Agreement and the Schedule “C” to which this Appendix is attached, the undersigned (the “**U.S. TargetCo Shareholder**”) covenants, represents and warrants to Nepra Foods Inc. (also referred to herein as the “**Company**”) that the U.S. TargetCo Shareholder understands that the Securities have not been and will not be registered under the U.S. Securities Act and that the offer and sale of the Securities to the U.S. TargetCo Shareholder contemplated by the Share Exchange Agreement is intended to be a private offering pursuant to the exemption from registration provided by Rule 506(b) of Regulation D under the U.S. Securities Act.

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

Please complete the following questionnaire:

1. Relationship to the Officers of Directors

Are you a relative of a director, senior officer or control person of the Company:	Yes: _____ No: _____
If yes, state the name of the director, senior officer or control person of the Company	_____
If yes, state the relationship to the director, senior officer or control person of the Company	_____

2. Close Friend of Officer or Director

Are you a close personal friend of a director, senior officer or control person of the Company:	Yes: _____ No: _____
If yes, state the name of the director, senior officer or control person of the Company	_____

If yes, state how long you have known the director, senior officer or control person of the Company	_____
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A close personal friend is an individual who has known the director, senior officer or control person for a sufficient period of time to be in a position to assess the capabilities and trustworthiness of the director, senior officer or control person. An individual is not a close personal friend solely because the individual is a member of the same organization, association or religious group.

3. Close Business Associate of an Officer or Director

Are you a close business associate of a director, senior officer or control person of the Company:	Yes: _____ No: _____
If yes, state the name of the director, senior officer or control person of the Company	_____
If yes, describe your business relationship with the director, senior officer or control person of the Company	_____

A close business associate is an individual who has had sufficient prior business dealings with the director, senior officer or control person to be in a position to assess the capabilities and trustworthiness of the director, senior officer or control person. A casual business associate or a person introduced or solicited for the purpose of purchasing securities is not a close business associate. An individual is not a close business associate solely because the individual is a client or former client. For example, an individual is not a close business associate of a registrant or former registrant solely because the individual is a client or former client of that registrant or former registrant. The relationship between the individual and the director, senior officer or control person must be direct. For example, the exemption is not available for a close business associate of a close business associate of a director, senior officer or control person.

4. Income

“**income**” will mean adjusted gross income as reported for federal tax purposes reduced by (a) any deduction for long term capital gain, (b) any deduction for depletion, (c) any exclusion for interest and (d) any losses allocated to the U.S. TargetCo Shareholder as an individual

(a) Was your annual income for the calendar year ended December 31, 2020 over US\$150,000?

Yes _____ **No** _____

(b) Was your annual income for the calendar year ended December 31, 2019 over \$150,000?

Yes _____ **No** _____

(c) Do you anticipate that your annual income for the year ended December 31, 2021 will be over \$150,000?

Yes _____ **No** _____

(d) Do you anticipate that your current amount of income will change in the foreseeable future?

Yes _____ No _____

If so, when, why and to what amount will that income change?:

(e) If your responses to questions 4(a) through 4(c) were “No,” please provide your annual income for the calendar years ending December 31, 2020 and December 31, 2019.

December 31, 2020: \$

December 31, 2019: \$

(f) If your responses to questions 4(a) through 4(c) were “No” please provide your joint annual income with your spouse for the calendar years ending December 31, 2020 and December 31, 2019.

December 31, 2020: \$

December 31, 2019: \$

5. Net Worth

(a) Please provide your net worth (for the purposes of calculating net worth: (i) your primary residence will not be included as an asset; (ii) indebtedness that is secured by your primary residence, up to the estimated fair market value of the primary residence at the time of the sale and purchase of Securities contemplated by the accompanying Share Exchange Agreement, will not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale and purchase of the Securities contemplated by the accompanying Share Exchange Agreement exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess will be included as a liability); and (iii) indebtedness that is secured by your primary residence in excess of the estimated fair market value of the primary residence will be included as a liability)

Net Worth: \$

(b) Does your proposed purchase of the Securities exceed:

_____ 10% of your net worth (excluding your personal residence, home furnishings and automobiles)?

_____ 20% of your net worth (excluding your personal residence, home furnishings and automobiles)?

6. Educational Background

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

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

7. Investment experience

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

Often; Occasionally; Seldom; Never.

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

Often; Occasionally; Seldom; Never.

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

Often; Occasionally; Seldom; Never.

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

Often; Occasionally; Seldom; Never.

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

Often; Occasionally; Seldom; Never.

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

Yes _____ No _____

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

Nature of	Business	Total amount
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<u>Year</u>	<u>Security</u>	<u>of issuer</u>	<u>invested</u>

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

Yes _____ No _____

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

Yes _____ No _____

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

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

Dated _____ 20__.

X _____
Signature of individual (if U.S. TargetCo Shareholder **is** an individual)

X _____
Authorized signatory (if U.S. TargetCo Shareholder is **not** an individual)

Name of U.S. TargetCo Shareholder (**please print**)

Address of U.S. TargetCo Shareholder (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

Appendix "C" to

U.S. REPRESENTATION LETTER FOR U.S. TARGETCO SHAREHOLDERS

Form of Declaration for Removal of Legend

TO: NEPRA FOODS INC. (the "Corporation")

TO: Registrar and transfer agent for the shares of the Corporation

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

Dated _____ 20__.

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

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

Name of Seller (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

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

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

- (1) no offer to sell Securities was made to a person in the United States;
- (2) the sale of the Securities was executed in, on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or another "designated offshore securities market" (as defined in Rule 902(b) of Regulation S under the U.S. Securities Act), and, to the best of our knowledge, the sale was not pre-arranged with a buyer in the United States;
- (3) no "directed selling efforts" were made in the United States by the undersigned, any affiliate of the undersigned, or any person acting on behalf of the undersigned; and
- (4) we have done no more than execute the order or orders to sell the Securities as agent for the Seller and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

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

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

Name of Firm

Name of Firm

By: _____
Authorized Officer

Dated: _____ 20__.