

COLLABORATIVE RESEARCH AGREEMENT

THIS COLLABORATIVE RESEARCH AGREEMENT (“Agreement”) is dated this 10th day of June, 2021 (the “**Effective Date**”).

BETWEEN:

1150641 B.C. Ltd., a B.C. company having an office at [REDACTED]

(“**1150**”)

AND

SureNano Science Ltd., a B.C. company having its head office at #350 – 1650 West 2nd Avenue, Vancouver, British Columbia, V6J 1H4,

(“**SureNano**”)

(each a “**Party**”)

WHEREAS:

- A. 1150 has experience in the area of research and development regarding the use of surfactants in cannabis oil and the products resulting therefrom;
- B. SureNano, pursuant to license agreements with 1150 (“**License Agreements**”), is a distributor of a surfactant to be used primarily with cannabis oil and required research & development capabilities;
- C. 1150 and SureNano desire to participate in a collaborative research project regarding the use of surfactants in cannabis oil and the products resulting therefrom and does not include the development of new surfactant formulae (the “**Research Project**”); and,
- D. Expenses of \$34,464 have been expended by 1150 on the Research Project prior to the date of this Agreement (the “**Prior Expenses**”).

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein and subject to the terms and conditions set out in this Agreement, the Parties agree to undertake the Research Project as follows:

1. Definitions

Whenever the capitalized words and expressions that follow appear in this Agreement, they will be interpreted according to the definitions below unless implicitly or explicitly expressed otherwise in the text:

- (a) “**Confidential Information**” has the meaning set out in Section 5.1 hereto.
- (b) “**Consultants**” means the consultants of 1150.

- (c) “**Damaged Party**” has the meaning set out in Section 9 hereto.
- (d) “**Indemnifying Party**” has the meaning set out in Section 9 hereto.
- (e) “**Effective Date**” has the meaning set out on the first page of this Agreement.
- (f) “**End Date**” means one year from the Effective Date.
- (g) “**License Agreements**” has the meaning set out in the recitals to this Agreement.
- (h) “**Prior Expenses**” has the meaning set out in the recitals to this Agreement.
- (i) “**Research Project**” has the meaning set out in the recitals to this Agreement.

2. **Research Project**

The Research Project will be comprised of the studies and tasks requested by SureNano and accepted by 1150 from time to time during the term of this Agreement. The majority of the work will be conducted by 1150 and the Consultants on the premises of 1150.

The Parties intend to contribute, each in its area of expertise, to the Research Project and will act at all times in accordance with the terms and conditions of this Agreement.

3. **Term**

This Agreement will become effective on the Effective Date and will continue in effect until the End Date, unless extended by mutual agreement of the Parties or terminated in accordance with Section 12 hereto.

4. **Contributions**

SureNano agrees to pay and contribute half of the amounts required to pay for the invoices of the Consultants in carrying out the Research Project to the maximum of \$100,000 during every six months of the term of this Agreement, as may be extended.

SureNano will also be responsible for covering half of the amounts 1150 has already paid for the Prior Expenses. 1150 will provide an invoice to SureNano with supporting receipts and that the invoice will be paid by SureNano within 7 days of receipt.

5. **Confidentiality**

The Parties agree that each of them may receive confidential or proprietary information from the other in connection with the Research Project. Each Party agrees, therefore, that such information received from the other, and marked as confidential, (the “Confidential Information”) will not be disclosed to any third party or used for its own purposes other than for the conduct of the Research Project without the written consent of the disclosing Party, and that reasonable and prudent practices will be followed to maintain the Confidential Information in confidence. This prohibition includes but is not limited to, press releases, educational and scientific conferences, promotional materials, government filings, and discussions with lenders, investment bankers, public officials and the media.

The Parties agree, if requested in writing by the disclosing Party to return promptly at the completion of the Research Project all copies in any media of any Confidential Information supplied by the other Party, in relation to the Research Project provided that, in the case of fixed storage media, the Confidential Information will be irretrievably erased after a copy has been provided to the other receiving Party. The obligations of confidentiality will survive indefinitely beyond the expiration or earlier termination of this Agreement.

The obligations of confidentiality set forth in this section, will not apply to any information which:

- (a) is already known to the receiving Party before receipt from the disclosing Party as evidenced by written records;
- (b) is generally available to the public or becomes publicly known through no fault of the receiving Party;
- (c) is received by the receiving Party from a third Party who had a legal right to disclose without restriction;
- (d) is developed by the receiving Party independently of and without reference to Confidential Information received from the disclosing Party as evidenced by written records; and/or
- (e) must necessarily be disclosed by either Party to financial institutions or other funding sources to obtain financial assistance, provided that such entities agree to keep the information confidential.

Notwithstanding any other provision of this Agreement, disclosure of Confidential Information will not be precluded if such disclosure is in response to a valid order of any governmental agency, court or other quasi-judicial or regulatory body of competent jurisdiction or stock exchange, provided however, that the responding Party will, as promptly and as reasonably possible, give notice to the other Party of the requirement so that the other Party may contest the requirement to provide such Confidential Information.

6. Results of Research Project

1150 will keep SureNano informed of research results obtained from its work in connection with the Research Project. The results of the Research Project will be the property of both Parties, jointly and severally. Because SureNano is a public company, it must review all results of the Research Project prior to any third party disclosure by either Party of same. In the event that SureNano identifies any results of the Research Project as material non-public information relating to SureNano, neither Party will disclose those results of the Research Project to any third party until SureNano issues a press release containing that information. SureNano will determine at its own discretion but in consultation with 1150, if and when to release the results of the Research Project it has identified as material non-public information relating to SureNano..

SureNano will not identify any results of the Research Project as material non-public information relating to SureNano without thoughtful consideration and consultation with 1150.

Despite the restrictions of this section and Section 5 hereto, each Party will have unrestricted right to use the results of the Research Project for its own internal research and educational purposes. For greater clarity, the proprietary formula of the SureNano Surfactant is owned by 1150, and SureNano does not have any rights to know the proprietary formula of the SureNano Surfactant.

SureNano may use the results of the Research Project and the name of 1150 in any disclosure, publication, promotion or advertisement without the prior written consent of 1150. However, any material disclosure of the results of the Research Project, by way of a press release, will be shared with 1150 for review and comment before the press release is disseminated.

7. Intellectual Property

The rights, ownership and obligations relating to intellectual property rights will be governed by the License Agreements.

8. Equipment

After completion of the Research Project, all materials, supplies and equipment purchased or used for this Research Project with funds provided under this Agreement, will remain the property of the Party that originally supplies them.

9. Indemnification

Each Party will be responsible for all losses, costs, damages and expenses of any nature whatsoever, that it may suffer for any reasons whatsoever, or arising from or in any way whatsoever attributable to the present Agreement and/or the Research Project unless said losses, costs damages, and expenses arise from an act of negligence or wilful misconduct of the other Party or of its employees, agents and/or subcontractors. In the event that one Parties' (the "**Indemnifying Party**") negligence or wilful misconduct results in losses, damages, costs, expenses or actions against, the other Party (the "**Damaged Party**"), then the Damaged Party will be indemnified and saved harmless by the Indemnifying Party from all such losses, damages, costs, expense and actions. The Indemnifying Party will not be liable to the Damaged Party for any indirect, consequential or special damages.

10. Representations and Warranties

- 10.1 Each Party represents and warrants that it is competent to perform the work under this Agreement and the Research Project and has the necessary qualifications including the knowledge, skill and ability to perform the work.
- 10.2 Each Party will conduct the Research Project in a professional manner conforming to generally accepted practices for scientific research. Given the exploratory nature of the research and development activities contemplated, neither Party makes any representations nor undertakings as to the quality or nature of the research and development work undertaken nor that the subject of such work will be suitable or marketable for any particular purpose or uses, other than that such work will be performed in good faith and with reasonable efforts of those participating in accordance with the objects and spirit of this Agreement.
- 10.3 The Parties hereto represent that they have the necessary capacity and authority to enter into this Agreement.

11. Compliance with Laws and Regulations

All work and research done in connection with the Research Project will be done in compliance with all applicable Federal, Provincial and local laws, regulations and guidelines.

12. Termination

- 12.1 Each Party will have the right to terminate its participation in the Research Project with or without cause by giving ninety (90) days prior written notice thereof to the other Party (the "Termination

Notice”). Nothing in this Agreement will rescind the obligations that may have accrued or the rights and privileges of that Party up to the date specified in the Termination Notice.

12.2 If either Party:

- (a) breaches or defaults under any term or condition of this Agreement and such breach or default is not remedied within thirty (30) days from the time of receipt of a written notice from the other Party; or
- (b) becomes bankrupt or insolvent;

this Agreement will terminate immediately.

13. Force Majeure

Neither Party will be held responsible to the other Party, for any default or delay in the execution of its obligations caused by circumstances beyond its control. Without limiting the generality of the foregoing, natural disasters, pandemics, strikes, fires, war and insurrections, and actions of government or regulatory bodies that prevent a Party from performing under the Agreement will be deemed to constitute force majeure, provided however, that the Party that is excused from performance takes all measures necessary to prevent, control or limit the effect of the force majeure so that performance may resume as soon as possible.

14. Records

The Parties agree to keep proper and accurate records and documents of the cost required to support and validate the observations and results of the work in connection with the Research Project and of all expenses incurred under this Agreement, including invoices, receipts or other documents for five (5) years following the expiration or earlier termination of this Agreement. Subject to the obligations of confidentiality set out in section 5, such records will be open for audit and inspection upon reasonable notice.

15. Laws

This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Parties attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.

16. Assignment

This Agreement is not assignable by a Party, whether by operation of law or otherwise, either in whole or in part, without the prior written consent of the other Party.

17. Amendment

This Agreement may only be modified or amended by written agreement of both Parties. No amendment or waiver of terms of this Agreement, or in the Research Project, is effective unless it is in writing, signed by both Parties.

18. Subcontracting

Either Party may subcontract portions of the Research Project with the prior written approval of the other Party.

19. Relationship between the Parties

Nothing contained herein or done hereunder will be construed as establishing any agency, employment, partnership or joint venture relationship between the Parties for any purpose whatsoever.

20. Severability

The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of the Agreement itself or any of its provisions.

21. Survival of Terms and Conditions

In addition to those provisions surviving by operation of law, Sections 5, 6, 7 and 9 hereto, as well as this provision, will survive the termination of this Agreement for any reason.

22. Notices

Any notice, consent or other communication required or permitted to be given hereunder will be in writing and will be given by email, or other means of electronic communication or by delivery as hereafter provided. Any such notice or other communication, if sent by email or other means of electronic communication, will be deemed to have been received on the earlier of the date upon which such communication is acknowledged by recipient and the Business Day following the day it was sent, or if delivered by hand will be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address will also be governed by this section. Notices and other communications will be addressed as follows:

(a) if to 1150:

Address: [REDACTED]
Attention: Mark Scott

(b) if to SureNano:

Address: 350 – 1650 West 2nd Avenue, Vancouver, BC, V6J 1H4
Attention: Charles MaLette

23. Headings

The headings contained in this Agreement are for convenience and reference only and will not define or limit the scope, or affect the interpretation of its provisions.

24. Counterparts

This Agreement may be signed in counterparts with the same effect as if the Parties had all signed the same document. All counterparts will be construed together and constitute one and the same document.

Time of the Essence

Time is of the essence to this Agreement.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date first written above.

1150641 B.C. LTD.

“Mark Scott”

MARK SCOTT, PRESIDENT

SURENANO SCIENCE LTD.

“Charles MaLette”

CHARLES MALETTE, PRESIDENT