

Manufacturing Agreement

Between:

Cannibible FoodTech Ltd of Israel reg no: 515889319 And/ Or Eazy Tech Inc.

("Cannibible")

And

Avant-Garde Holdings Americas, Inc., b/d/a, "AG NATURAL", a Florida Corporation
with company reg no.: P17000097476-

(~~"Sub-Contractor"~~)

And

Pharma-Natural Inc., a Florida corporation, reg no.: P02000128182

("Pharma Natural")

WHEREAS, Cannibible is a Cannabis infused edibles (Food & Beverages) product development company; and

WHEREAS, Cannibible has already developed more than 100 products ready to be manufactured (SKUs segments attached in Exhibit A) (the "Products" or the "SKUs"); and

WHEREAS, ~~Sub-Contractor~~ Pharma Natural is a company which manufactures,
~~manufactures,~~ sells and distribute supplements and CBD products globally; and

~~WHEREAS, Sub-Contractor and Pharma Natural are business partners; and~~

WHEREAS, Pharma Natural has all the required regulatory licenses and permits, including, an FDA registered nutraceutical facility in Miami Lakes, Florida as the ~~manufacturing partner~~ to manufacture Cannibible's infused edibles; and

WHEREAS, Cannibble is willing to engage ~~Sub-Contractor/~~Pharma Natural as its non-exclusive manufacturer for the Products; and

WHEREAS, the parties would like to cooperate pursuant to this Manufacturing Agreement (the "**Agreement**") and to manufacture Cannibble's SKUs under the Cannibble's brand - "The Pelicann" and as a white label for others as appropriate and as set forth hereto.

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto expressly agree, as follows:

1. Subject and pursuant to the terms of this Agreement, Cannibble hereby engages ~~the Sub-Contractor as its marketing partner and~~ Pharma Natural as the manufacturer of Cannibble's SKUs, on a non-exclusive and non-perpetual basis.
2. Cannibble has already completed its development phase and holds more than 100 SKU's ready to be manufactured. Products segments attached are referred to in Exhibit A.
3. Subject to the terms set forth in this Agreement, Cannibble shall provide Pharma Natural ~~and the Sub-Contractor (if appropriate)~~ with the required manufacturing knowhow and specifications of the SKUs, as detailed in Exhibit B hereto (the "**Specifications**"). (Exhibit B to be provided by Cannibble)
4. Cannibble will advise and guide Pharma Natural ~~and the Sub-Contractor (if appropriate)~~ on the required machinery to manufacture Cannibble's SKUs.
5. Under this Agreement, Sub-Contractor Pharma Natural is obligated to use solely Cannibble's premixed unit (the "Black Box") to manufacture the SKUs pursuant to this Agreement.
6. Cannibble agrees to have its SKUs manufactured at the Pharma Natural facility using, as appropriate, the existing machines on site and all other kitchen items according to Cannibble's manufacturing protocols. Cannibble may purchase at its own expense and house in Pharma Natural additional equipment, including an automatic pre-made bags powder packaging machine.
7. If needed and subject to a written request by ~~Sub-Contractor and/or~~ Pharma Natural, Cannibble, at its sole discretion, will guide Pharma Natural through the entire process of designing the floorplan and how to use any purchased machinery for the manufacture of Cannibble's products.
8. Cannibble will guide Pharma Natural ~~and Sub-Contractor (if appropriate)~~ through the entire process of manufacturing the SKUs.
9. ~~Sub-Contractor/~~ Pharma Natural shall be solely responsible to ensure that all suppliers for raw materials ~~must be~~ are rated as reputed food grade suppliers with all regulatory approvals and permits required under applicable law (if applicable), including, without limitation, FDA approval including QA certificates such as ISO, HACCP, BRC etc.

10. It is agreed that the first 3 manufacturing cycles (the "Evaluation Period") for all planned SKUs are with a temporary manufacturing price and will be considered as a testing ~~and as an~~ under the Evaluation Period only, during which ~~the Sub-Contractor and~~ Pharma Natural will be able to learn and adjust the manufacturing costs per SKU per package. Following the Evaluation Period, ~~the Sub-Contractor~~ Pharma Natural will provide Cannibble with a new manufacturing price list per each SKU.
11. To avoid any misunderstanding, It is agreed that for the first 3 manufacturing cycles Cannibble will provide all the ingredients and packages from its suppliers for the manufacturing of the SKUs. Thereafter, and subject to an amending agreement, ~~the Sub-Contractor and~~ Pharma Natural will work with Cannibble to purchase the requisite ingredients, including hemp by-products and CBD as needed (and packages, if appropriate) from its suppliers for all POs that may follow.

12. INTELLECTUAL PROPERTY

~~Cannibble hereby grants Sub-Contractor and Pharma Natural the rights and license for its Technology and products to manufacture. Licensee Neither party shall not transfer any rights and/or license of Company's technology and products to any third party.~~

- 12.1. At all times and for all intents and purposes, Cannibble shall retain exclusive ownership of any and all intellectual property rights in connection with the Products and SKUs (the "Intellectual Property Rights"). No license or any other right of any kind or nature, related to any Intellectual Property Rights of Cannibble shall be deemed granted to ~~Sub-Contractor or~~ Pharma Natural by Cannibble pursuant to this Agreement.

13. CONFIDENTIALITY

- 13.1. Confidential information means and includes any and all information relating to this Agreement and the terms hereof, and any information, documents or other written or oral materials (the "Confidential Information") for which Cannibble, ~~Sub-Contractor or~~ Pharma Natural, as the case may be (the "Disclosing Party") identifies and marks as confidential or proprietary at the time it is delivered to the other party (the "Receiving Party"). Cannibble's know-how and Intellectual Property Rights shall be deemed as confidential information of Cannibble even if such were not marked as confidential or proprietary.
- 13.2. The Receiving Party shall maintain in confidence and not disclose to any third party any Confidential Information of the Disclosing Party and shall not use any Confidential Information except for the purposes of the performance of this Agreement (this includes but isn't limited to Cannibble's actions and activities in general for the commercialization, development and sale of the Products) and except when such disclosure is required by a

competent authority. The Receiving Party shall ensure that its employees, consultants, contractors and agents have access to Confidential Information of the Disclosing Party only on a need-to-know basis and are obligated in writing to abide by the Receiving Party's obligations under this Agreement. The foregoing obligation shall not apply to Confidential Information which the Receiving Party can prove by written records:

13.2.1. Was disclosed to the Receiving Party by a third party that had a right to make such disclosure; or

13.2.2. Was known to the Receiving Party prior to the time of disclosure or independently developed by the Receiving Party, in each case, to the extent evidenced by written records; or

13.2.3. Became part of the public domain as a result of rightful acts by any person or entity other than the Receiving Party.

13.3. Notwithstanding the foregoing, ~~Sub-Contractor~~Pharma Natural may disclose to its personnel and contractors (if any), Cannibble's Confidential Information to the extent necessary for the exercise by it for the fulfillment of its obligations hereunder, and it shall bind such personnel and contractors with a similar undertaking of confidentiality in writing to the benefit of Cannibble.

14. QUALITY CONTROL

~~Sub-Contractor and~~Pharma Natural shall, upon reasonable prior notice, permit Cannibble's representatives to visit its premises during normal working hours or at other times by prior arrangement with ~~Sub-Contractor and/or~~Pharma Natural for the purpose of inspecting the SKUs, the Packaging Materials and all aspects of the manufacture of the SKUs.

During the term of this Agreement and for the manufacture of the SKUs by Pharma Natural hereunder, ~~Sub-Contractor and~~Pharma Natural agrees, upon Cannibble's written request, to supply samples of any batch for quality testing and, if further required, to keep samples from each production batch for at least 6 (six) months or such other period as may be agreed by the Parties. The costs for external quality testing or storage of production batch samples shall be borne by Cannibble.

Nevertheless, and to the extent possible, ~~Sub-Contractor and~~Pharma Natural agrees to promptly notify Cannibble if any shipment of ingredients which has arrived at Pharma Natural's facility, is defective and cannot be used to manufacture the SKUs.

15. MANUFACTURE OF PRODUCTS (SKUs).

~~Sub-Contractor shall cause~~Pharma Natural to shall manufacture the Products strictly in accordance with the Specifications. ~~Sub-Contractor and~~Pharma Natural shall:

15.1. keep full and accurate records of:

15.1.1. Quantities of Product manufactured;

15.1.2. Quantities of Black Box material that have been used and remain and permit Cannibble to inspect such records at all reasonable times and shall submit such records to Cannibble, if requested, on a quarterly basis.

15.1.3.

15.2. **Raw Materials:** Cannibble will be the sole and exclusive supplier who shall supply to ~~Sub-Contractor/~~Pharma Natural with the Black Box hereto (the "Unique Raw Materials"). Other than the Unique Raw Materials, ~~Sub-Contractor or~~ Pharma Natural may be requested to purchase and supply, at prices to be pre-agreed by the Parties, all other raw materials and ingredients required pursuant to this Agreement for the manufacturing of the Products according to Cannibble's guidance. All raw materials to be purchased by ~~Sub-Contractor or~~ Pharma Natural MUST be under an authorized P.O. from Cannibble.

15.3. **Packaging:** Cannibble shall provide Pharma Natural with the required information for the packaging and labeling. Pharma Natural will, if requested and agreed, purchase the packaging and/ or labels from Cannibble's supplier, except for the first 3 manufacturing cycles during which Cannibble will supply the packages and labels. The packaging box (outer box) will be provided by ~~Cannibble-Pharma Natural~~ in accordance with ~~its needs or requirements (isn't this a cost to be borne by Pharma Natural?)~~ its customary practices. Pharma Natural shall perform the packaging of the SKUs at its facility.

15.4. **Insurance and products liabilities:** During the term of this Agreement, Pharma Natural shall secure and maintain a comprehensive general liability insurance with reputable insurance carriers, which covers Cannibble including tort liability, personal injury and insurance against claims regarding the manufacturing of the SKUs by Pharma Natural, in amounts customary in this field of business.

15.5. **Product development services**

~~Sub-Contractor or~~ Pharma Natural may request product development services from Cannibble ("New Product") for products other than the Products designated in this Agreement and which do not compete with Cannibble's line of Products or business. Any request for a New Product will be subject to a separate contract by the Parties.

15.6. **White labelling**

~~In any case of~~ With respect to white or private labelling, any each package should state on the back side the following: ***"Manufactured under the License of Cannibble FoodTech Ltd, Israel. www.cannibble.world".*** Any

white labelling transaction shall be determined in a separate white label agreement to be entered by the Parties.

15.7. R&D Kitchen & Lab usage

Subject to a separate agreement by the Parties and for charges to be agreed, Pharma Natural may allow Cannibble to use its Kitchen & Lab as Cannibble's Research & Development ("R&D") center for new products.

16. PRICES

It is agreed that except for the first 3 production cycles, Pharma Natural (~~or, Sub-Contractor, as the case may be~~) will quote for each product (SKU) price according to product specifications supplied by the Company.

It is agreed that for the first order ~~the Sub-Contractor/~~ Pharma Natural will provide a fix price for 1 Kg packaging only and ~~the company that Cannibble~~ will supply all raw materials. Need to add price per package.

17. FUTURE ORDERS

For future orders (except the Black Box) as may be agreed in writing by the Parties from time to time, ~~the Sub-Contractor/~~ Pharma Natural may source and buy the raw materials for and on behalf of Cannibble at prices and quantities previously agreed in writing with Cannibble pursuant to a PO. ~~1222~~

18. CANNIBBLE BRANDS SOLD THROUGH SUB-CONTRACTOR'S OR PHARMA NATURAL'S CHANNELS

In case that ~~Sub-Contractor or~~ Pharma Natural agrees to sell Cannibble products through its own marketing channels, ~~the selling party hereby it is~~ agreed by the parties that it-Pharma Natural and Cannibble will equally share the net profit between themselves 50%-50% (selling price minus product, marketing and sales costs).

19. PURCHASE ORDERS

Purchase Orders ("PO") to be e-mailed to a designated person at Pharma Natural (~~with a copy to the Sub-Contractor~~). Pharma Natural will confirm the PO ~~no later than~~ within 48 hours.

The orders will be manufactured by ~~Pharma Natural~~ and will be ready for delivery to Cannibble or to any third party to which Cannibble shall instruct, on an ex-factory basis within 14 working days from the date on which ~~the Pharma Natural (or, Sub-Contractor, as the case may be)~~ has received full and final payment, according to the payment terms detailed below.

To avoid any misunderstanding, the POs will be varied on its SKU items from one to another according to market's demand and stocks.

20. TERMS OF PAYMENT

It is agreed by the parties that the terms of payment are 50% in advance and 50% upon providing of a written certification stating that the manufacturing of the SKUs has been made pursuant to this Agreement and the applicable PO.

21. RECORDS AND INSPECTION

~~Sub-Contractor and Pharma Natural~~ shall maintain or cause to be maintained a true and correct set of records pertaining to ~~the any~~ and all sales and costs of all Products it sells through its marketing channels as it pertains to under this Agreement. ~~Each of Sub-Contractor and Pharma Natural~~ agrees to grant access to Cannibbe's CFO or its accounting representatives to review its financial records as it relates to this Agreement only.

22. TERM OF THE AGREEMENT

The Parties agree that the term of this Agreement shall remain in place from the date of execution of this Agreement for twelve (12) months ("Initial Term"). Unless terminated earlier, the terms herein shall be renewed automatically on a year-to-year basis. Notwithstanding the term or renewal of this Agreement, either party may terminate this Agreement, without reason or cause and at any time, by providing six months (6) advance written notice to the other party, which termination shall take effect upon the expiry of the 6 (six) months after date of notice period or such earlier period as may be agreed by the parties.

22.1. Termination

The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until terminated in accordance with Section ~~2322~~ above or in accordance with the following terms:

22.1.1. Bankruptcy

Either party may terminate this Agreement upon written notice to the other party, if a party is adjudged bankrupt, applies for judicial or extra-judicial settlement with its creditors, voluntarily files for bankruptcy, or in the event an involuntary bankruptcy action is filed against a party and not dismissed within ninety (90) days, or if a party otherwise discontinues business.

22.1.2. Failure of payments

In case that a party fails to make payment within 60 days of a due date, to the other party, the non-defaulting party shall have the right to terminate this Agreement for cause.

23. NON-COMPETE

During the term of this Agreement, ~~each of Sub-Contractor and Pharma Natural~~ undertakes neither to manufacture to other third parties nor to develop by itself or with any other third party any product which directly competes with any of Cannibble's infused edibles as specified in Exhibit A to this Agreement. Cannibble will be the exclusive product developer company in those segments for ~~the Sub-Contractor and Pharma Natural~~.

In the event that ~~Sub-Contractor or Pharma Natural~~ will ~~shall~~ notify on ~~termination of the~~ this Agreement to Cannibble, it will impose a cooling-off period of one year (12 months) on the production, distribution, sales and marketing of ~~the Pproducts such as in this~~ as set forth in Exhibit A of this Agreement.

24. LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. The parties agree that the sole and exclusive venue for any matters arising hereunder shall be the court of competent jurisdiction in Miami-Dade County, Florida and agrees to waive any objections to such venue. EACH OF SUB-CONTRACTOR, PHARMA NATURAL AND CANNIBBLE HEREBY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING, SUIT OR CLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT.

25. ENTIRE AGREEMENT

This Agreement contains all of the understandings and agreements of the Parties with respect to the subject matter discussed herein. All prior agreements, whether written or oral, are merged herein and shall be of no force or effect.

No modification, amendment or change of this Agreement shall be valid unless executed by all the Parties.

~~No amendment of this Agreement will be valid unless made in writing signed by a duly authorized representative of both parties. No provision of this Agreement will be deemed waived and breach or default excused unless the waiver or excuse is in writing and signed by the party issuing it. The terms and conditions contained in this Agreement supersede all prior oral or written understandings between the parties and shall constitute the entire agreement between them concerning the subject matter of this Agreement.~~

26. ASSIGNMENT

Neither party shall be permitted to assign, by operation of law or otherwise, any of its rights or obligations hereunder, except with the other parties' prior written consent, provided, however, that either party may assign this Agreement and its respective rights and obligations hereunder, in connection with any merger, consolidation, reorganization or restructuring, or the sale of substantially all of its shares and/or assets so long as the ultimate parent entity and the successor entity in such transaction assume all of the assignor's obligations under this Agreement.

27. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns.

28. PUBLICITY

Subject to the laws and regulations then applicable, or to which the Parties' are obligated to, all publications will be coordinated, agreed and approved by both parties. To remove any doubt, Cannibble is an Israeli company operating pursuant to the laws of the State of Israel.

This Agreement shall become effective as of the date of signature.

Agreed and accepted:



Cannibble: Mr. Joav Eyal Joseph, CEO

Date: 10/11/2019

Sub-contractor: Mr. Sol Alan Saad, Chairman

Date:

Accepted by:

Pharma Natural: Carlos Ferreiro, Chairman

Pharma Natural: Carolina Ferreiro-Diaz

Date:

10/11/2019

Pharma Natural Inc.

Exhibit A: Products list segments

This agreement is for Hempt Seeds Oils, Hemp Extracts and CBD ONLY

Cannibible's line of products was developed with cannabis ingredients as Hemp oils, Hemp seeds derived products, and Isolated CBD. Products are destined to markets according to local regulations:

1. CannaShakes™

Powders and Syrups for making iced and/or hot and/or cold beverages

2. Cannashakes Sports™

Powders for making healthy protein shakes with hemp protein

3. CannaMix™

powders for microwave or oven making instant breads, rolls, cakes, muffins, cupcakes, brownies, soufflé, cookies, donuts, pancakes, creams, mousses, pudding, sweet sauces, savory sauces, etc. with or without hemp protein

4. CannaSpices™

Pure or blended spices

5. CannaPop™

Microwave instant popcorn in different flavors

6. CannaSpread™

Variety of spreads ready to eat

7. CannaSauce™

Variety of Sauce, Gravy and Salad Dressing ready to eat

8. CannaFel™

100% Vegan Falafel mix blends with variety of flavors