MEMBERSHIP INTEREST PURCHASE AGREEMENT

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT (this "**Agreement**") is made as of the 12th day of July, 2018 (the "**Effective Date**") by and among the following (each, a "**Party**", and collectively, the "**Parties**"): Nevada Organic Remedies LLC, a Nevada limited liability company (the "**Company**"), the sellers set forth in Schedule 1 hereto (each, a "**Seller**" and collectively, the "**Sellers**"), Andrew M. Jolley, as the representative of each Seller as more fully described herein (the "**Representative**"), GGB Nevada LLC, a Nevada limited liability company ("**Purchaser**"), and Xanthic Biopharma Inc., a Canadian corporation ("**Parent**").

RECITALS

WHEREAS, the Company is the sole owner and operator of a medical and retail marijuana dispensary facility located at 2550 S. Rainbow Blvd., Las Vegas, Nevada 89146 (the "**Sahara Facility**"), which is licensed by the State of Nevada Department of Taxation (the "**Department**"), under license numbers 02441426022753521200 (Medical Marijuana Dispensary establishment Registration Certificate Number) and 1700011092091 (Retail Store Marijuana License Correspondence ID Number) (the "**Dispensary Licenses**");

WHEREAS, the Company is the sole owner and operator of a medical and retail marijuana cultivation and production facility, and retail distribution facility, located at 3705 E. Post Road, Las Vegas, Nevada 89120 (the "**Post Road Facility**"), which is licensed by the Department under license numbers 88242054656300627601 (Medical Marijuana Cultivation Establishment Registration Certificate Number) and 1700011092089 (Cultivation Facility Correspondence ID Number) (the "**Cultivation Licenses**"), 72792951478780009507 (Medical Marijuana Production Establishment Registration Certificate Number) and 1700011092090 ((Correspondence ID Number) (the "**Production Licenses**"), and 1700011240153 (Correspondence ID Number) (the "**Distribution License**");

WHEREAS, the Company holds Business Licenses and Special Use Permits issued by Clark County authorizing the operations at the Sahara Facility and Post Road Facility (the **"Business Licenses**," and collectively with the Dispensary Licenses, Cultivation Licenses, and Production License, the "**Operating Licenses**");

WHEREAS the proposed purchase by Purchaser of the Purchased Interest will not breach any applicable municipal or state residency requirements in the State of Nevada in respect of the ownership of the Operating Licenses;

WHEREAS, the Sellers, collectively, own one hundred percent (100%) of the issued and outstanding membership interests of the Company, which constitute all of the issued and outstanding equity securities of the Company; and

WHEREAS, Purchaser desires to purchase from Sellers the Purchased Interest, and Sellers desire to sell the Purchased Interest to Purchaser, all pursuant to and in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties hereto hereby agree as follows:

1. Purchase and Sale of Purchased Interest.

1.1 Sale. Subject to the terms and conditions of this Agreement, Purchaser agrees to purchase at the Closing, and the Sellers agree to sell to Purchaser at the Closing, the Closing Purchased Interest, free and clear of all Liens.

1.2 Closing; Deposit; Purchase Price.

(a) The purchase and sale of the Closing Purchased Interest shall take place remotely via the exchange of documents and signatures, no more than ten (10) days following the Final Approval Date (which time and place are designated as the "**Closing**" and such date, the "**Closing Date**"). The total Purchase Price to be paid to Sellers for the Purchased Interest is $56,750,000, plus all accrued interest pursuant to the Note, such Purchase Price to be paid in accordance with the terms of this Agreement.

(b) No later than two (2) business days following the Effective Date, Purchaser shall wire $2,000,000 (the "**Deposit**") to the Escrow Agent, and the Escrow Agent shall be required to hold the Deposit in escrow, to be distributed only in accordance with the terms and conditions of this Agreement and the Escrow Agreement relating to the Deposit, substantially in the form attached as Exhibit J to this Agreement (the "**Escrow Agreement**"). Upon the expiration of the Due Diligence Confirmation Period, unless this Agreement has been earlier terminated in accordance with Section 8.19, the Deposit shall be released to Representative, and Purchaser shall instruct the Escrow Agent to so release the Deposit at the end of the Due Diligence Confirmation Period.

(c) For and in consideration of the sale, transfer and delivery of the Purchased Interest, including the Closing Purchased Interest at Closing, Purchaser agrees to and shall (A) immediately prior to the Closing, authorize the Escrow Agent in writing to release the Deposit to Representative at the Closing, (B) pay to Representative at the Closing the Balance Closing Cash Purchase Price by wire transfer to a bank account designated by Representative, (C) subject to and in accordance with Section 7.8 and Section 7.9, either (i) issue to Sellers the Parent Consideration Shares or (ii) pay to Sellers the Parent Share Purchase Price in cash in accordance with Section 1.2(e), and (D) deliver the Note to Representative at the Closing. At the Closing, each of the Sellers shall deliver to Purchaser a Membership Interest Assignment substantially in the form attached as Exhibit A to this Agreement (the "**Membership Interest Assignment**"), duly executed by such Seller and, if the Closing Purchased Interest is certificated, a certificate or certificates representing the Closing Purchased Interest.

(d) Subject to the Closing, Purchaser's obligations under the Note shall be secured by all the assets of the Company in accordance with that certain Security Agreement, substantially in the form attached as Exhibit G to this Agreement (the "**Security Agreement**").

(e) In the event the Business Combination is not consummated for any reason, the Parent Share Purchase Price shall be paid to Sellers in cash by the Parent Share Purchase Price Payment Deadline.

1.3 Definitions; Interpretive Guidelines.

(a) Definitions. In addition to the terms defined elsewhere throughout this Agreement, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

Defined Terms	**Section**
2017 Financial Statement	Section 2.7
Agreement	Preamble
Audited Financial Statements	Section 6.11
Authorized Action	Section 8.22(c)
Background Check	Section 6.2
Basket	Section 7.1(d)
Breakup Fee Requirements	Section 8.19(b)(iv)
Business Licenses	Recitals
Business Plan	Section 2.26
Claim Notice	Section 7.1(e)
Closing	Section 1.2(a)
Closing Date	Section 1.2(a)
Company	Preamble
Connor Firm	Section 6.10
Copyrights	Section 1.3(a)(xxvi)
Cultivation License	Recitals
Department	Recitals
Deposit	Section 1.2(b)
Disclosure Schedule	Section 2
Dispensary License	Recitals
Distribution License	Recitals
Effective Date	Preamble
Employment Agreement	Section 4.8(o)
Escrow Agreement	Section 1.2(b)
Exclusive Venues	Section 8.15
Federal Exception	Section 2.10(a)
Final Determination	Section 7.1(f)
Financial Statements	Section 2.7(a)
Fundamental Representations	Section 7.1(c)
GAAP	Section 2.7(b)
Government Consents	Section 6.1
Hazardous Substance	Section 2.23
HOR	Section 4.8(p)
Indemnified Party	Section 7.1(b)
Indemnifying Party	Section 7.1(b)
Inventions	Section 1.3(a)(xxvi)

Defined Terms	Section
Inventory	Section 2.15(k)
Intellectual Property Licenses	Section 2.10(c)
J&S Seller Indemnitors	Section 7.1(a)
Know-How	Section 1.3(a)(xxvi)
Leased Personal Property	Section 2.15(j)
Leased Real Property	Section 2.15(b)
Licenses	Section 2.22(a)
Losses	Section 7.1(a)
Material Contract	Section 2.12
Material Customer	Section 2.9
Material Supplier	Section 2.9
Monthly Operating Amount	Section 2.17(n)
Most Recent Balance Sheet	Section 2.7(a)
Nevada Exception	Section 2.10(a)
Operating Licenses	Recitals
Ordinary Course Expenditure or Liability	Section 6.4(m)
Ordinary Course Payment	Section 6.4(c)
Outside Asset	Section 2.15(h)
Parent	Preamble
Party(ies)	Preamble
Patents	Section 1.3(a)(xxvi)
PCBs	Section 2.23
Personal Property	Section 2.15(g)
Post Real Estate Option Agreement	Section 1.3(a)(lii)
Post Road Facility	Recitals
Pre-Closing Period	Section 6.4
Production License	Recitals
Purchaser	Preamble
Purchaser Indemnitees	Section 7.1(a)
Purchaser Indemnitor	Section 7.1(b)
Purchaser Licenses	Section 3.3
Real Property Leases	Section 2.15(b)
Receivables	Section 2.8
Registered Intellectual Property	Section 2.10(b)
Representative	Preamble
Sale Representations	Section 2
Sahara Facility	Recitals
Sahara Real Estate Option Agreement	Section 1.3(a)(lii)
Security Agreement	Section 1.2(d)
Seller Contribution Agreement	Section 7.8
Sellers	Preamble
Sellers' Advisors	Section 2.27
Seller Indemnitees	Section 7.1(b)
Seller Indemnitors	Section 7.1(a)
Several Seller Indemnitors	Section 7.1(a)

Defined Terms	**Section**
Shared Services Agreement	Section 4.8(p)
Third Party Claim	Section 7.1(g)
Trademark	Section 1.3(a)(xxvi)
Transfer Taxes	Section 7.7
Union	Section 2.18(j)

(i) "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

(ii) "**Amended and Restated Operating Agreement**" means the Amended and Restated Operating Agreement of the Company substantially in the form attached as Exhibit C to this Agreement.

(iii) "**Approval Deadline**" means September 7, 2018.

(iv) "**Balance Closing Cash Purchase Price**" means the Closing Cash Purchase Price, *less* (a) any Indebtedness of the Company, (b) any Change of Control Payments, and (c) all Company Transaction Expenses incurred as of the Closing in connection with the Transaction Agreements, to the extent not paid by Sellers at or prior to the Closing.

(v) "**Book and Records**" means all records (in any type of storage medium) in the possession or control of a Person, including, without limitation, customer lists, sales records, records relating to regulatory matters, financial and accounting records and compliance records.

(vi) "**Business Combination**" means the business combination of Parent and SAG, following which, upon the consummation thereof, the shareholders of SAG will own a majority of the Parent Shares.

(vii) "**Change of Control Payments**" means any and all bonuses or other obligations or payments arising or payable as a result of or in connection with the transactions contemplated hereby (whether due at or after the Closing, with or without the passage of time or occurrence of other events, or otherwise).

(viii) "**Closing Cash Purchase Price**" means $32,347,500, *less* the Deposit.

(ix) "**Closing Purchased Interest**" means ninety-five percent (95%) of the membership interests of the Company.

(x) "**Code**" means the Internal Revenue Code of 1986, as amended.

(xi) "**Company Intellectual Property**" means, collectively, the Owned Intellectual Property and the Licensed Intellectual Property.

(xii) "**Company Transaction Expenses**" means, collectively, the Transaction Expenses incurred by the Company, Sellers, and their respective Affiliates in connection with the transactions contemplated by the Transaction Agreements.

(xiii) "**Consent**" means any consent, approval, authorization, clearance, exemption, waiver, or similar affirmation by any Governmental Authority or other Person pursuant to any contract or applicable Law.

(xiv) "**Due Diligence Confirmation Period**" means the period commencing on the Effective Date and terminating at 2:00 p.m. Pacific time on the date that is fourteen (14) days following the Effective Date, if not earlier waived by Purchaser in writing.

(xv) "**Employee Benefit Plan**" means any "employee benefit plan" as defined in Section 3(3) of ERISA (whether or not subject to ERISA) and each other plan, policy, program practice, agreement, understanding or arrangement (whether written or oral) providing compensation or other benefits to any current or former director, officer, employee or consultant (or to any dependent or beneficiary thereof) of the Company or any ERISA Affiliate, which is or has been maintained, sponsored or contributed to by the Company or any ERISA Affiliate, or under which the Company or any ERISA Affiliate has or may have any obligation or liability, whether actual or contingent, including, without limitation, all incentive, bonus, employment, consulting, deferred compensation, severance, change in control, retirement, vacation, holiday, fringe benefit, cafeteria, medical, disability, stock purchase, sick leave, stock option, stock appreciation, phantom stock, restricted stock or other stock-based compensation plans, policies, programs, practices or arrangements.

(xvi) "**Environmental Laws**" means any Law, regulation, or other applicable requirement relating to (a) releases or threatened releases of Hazardous Substances; (b) pollution or protection of employee health or safety, public health or safety, natural resources, or the environment; or (c) the manufacture, generation, handling, transport, use, treatment, storage, handling, transportation, management, or disposal of, or exposure to, Hazardous Substances.

(xvii) "**ERISA Affiliate**" means any entity (whether or not incorporated) other than the Company or any Seller that is required to be treated along with the Company or any Seller as a single employer under Section 414(b), (c), (m) or (o) of the Code.

(xviii) "**Escrow Agent**" means that certain escrow agent to be selected following the Effective Date and who is mutually acceptable to Representative and Purchaser.

(xix) "**Family Member**" means, with respect to any individual, (a) the spouse, parents, siblings, and descendants (including adoptive relationships and stepchildren) of that individual and (b) the spouse of each individual described in clause (a) of this definition.

(xx) "**Final Approval Date**" means the latest date upon which the Company, Purchaser and/or Purchaser's principal(s), as applicable, pass the Background Check and receive all necessary Government Consents, including, without limitation final, irrevocable

decisions in writing from the Department and Clark County approving the transactions contemplated by this Agreement, including specifically, Purchaser's acquisition of all ownership interest in the Company, including its Licenses.

(xxi) "**Fundamental Rep Indemnification Period**" means the maximum applicable statute of limitation period following the Closing.

(xxii) "**Governmental Authority**" means any nation or country (including the United States) and any state, commonwealth, territory or possession thereof and any political subdivision of any of the foregoing, including courts, departments, regulatory agency, administrative agency, commissions, boards, bureaus, agencies, ministries or other instrumentalities, and any other entity exercising law or rule making power (whether or not self-regulating).

(xxiii) "**Indebtedness**" of any Person shall mean, without duplication: (i) all liabilities of such Person for borrowed money, whether current or funded, secured or unsecured, all obligations evidenced by bonds, debentures, notes or similar instruments, and all liabilities in respect of mandatorily redeemable or purchasable share capital or securities convertible into share capital (including with respect to the Company, any loans given to the Company by Purchaser or its Affiliates during the Pre-Closing Period); (ii) except for trade debt in the ordinary course of business, all liabilities of such Person for the deferred purchase price of property or services, which are required to be classified and accounted for under GAAP as liabilities; (iii) all liabilities of such Person in respect of any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which are, and to the extent, required to be classified and accounted for under GAAP as capital leases; (iv) all liabilities of such Person evidenced by any letter of credit or similar credit transaction entered into for the purpose of securing any lease deposit; (v) all liabilities of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction securing obligations of a type described in clauses (i), (ii) or (iii) above to the extent of the obligation secured; and (vi) all guarantees by such Person of any liabilities of a third party of a nature similar to the types of liabilities described in clauses (i), (ii), (iii) or (v) above, to the extent of the obligation guaranteed.

(xxiv) "**Indemnification Cap**" means, with respect to each claim for indemnification under this Agreement that is the subject of a Claim Notice, fifteen percent (15%), in the aggregate, of the portion of the Purchase Price actually received by Sellers as of the time of a Final Determination; provided, however, that the calculation of Purchase Price actually received by Sellers shall not be (A) reduced by any payments made (or deemed made) by the Seller Indemnitors to the Purchaser Indemnitees or (B) increased by any payments made (or deemed made) by the Purchaser Indemnitor to the Seller Indemnitees, in either case pursuant to Section 7.1.

(xxv) "**Indemnification Period**" means the fifteen (15)-month period following the Closing; provided that, in the event (but only in the event) that 100% of the Purchase Price is paid to Sellers in accordance with, and subject to the terms of this Agreement, the Indemnification Period shall be increased to the eighteen (18)-month period following the Closing; provided, however, that for purposes of this Section 1.3(a)(xxiv), the calculation of Purchase Price actually received by Sellers shall not be (A) reduced by any payments made (or

deemed made) by the Seller Indemnitors to the Purchaser Indemnitees or (B) increased by any payments made (or deemed made) by the Purchaser Indemnitor to the Seller Indemnitees, in either case pursuant to Section 7.1.

(xxvi) "**Intellectual Property Rights**" means any and all proprietary and intellectual property rights, in any jurisdiction, including those rights in and to (a) inventions and discoveries (whether or not patentable or reduced to practice), improvements thereto, and invention disclosures ("**Inventions**"), (b) patents and patent applications (including applications or registrations for industrial design, mask works and statutory invention registrations), together with extensions, reissuances, divisionals, provisionals, continuations, continuations-in-part and reexaminations thereof ("**Patents**"), (c) trademarks, trademark applications and registrations, service marks, brand names, certification marks, trade dress, slogans, symbols, logos, trade names and corporate names, fictitious names, domain names and social media accounts, together with the goodwill associated therewith (in each case, whether registered or unregistered) ("**Trademarks**"), (d) copyrights, published and unpublished works of authorship, whether copyrightable or not (including software and related algorithms), moral rights and rights equivalent thereto, including the rights of attribution, assignation and integrity (in each case, whether registered or unregistered) ("**Copyrights**"), (e) all trade secrets and confidential business information including, but not limited to, confidential ideas, technical data, customer lists, pricing and cost information, marketing plans, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques ("**Know-How**"), (f) all proprietary breeds, cultivars, varietals and germplasm, (g) all other proprietary rights, (h) all applications to register, registrations and renewals, substitutions or extensions of the foregoing and (i) all copies and tangible embodiments of the foregoing.

(xxvii) "**Key Employee**" means the executive-level employees (including division director and vice president-level positions) as well as any material employee to the operations or contemplated operations of the Company and any employee or consultant who either alone or in concert with others develops, invents, programs or designs any Company Intellectual Property, in each case as set forth on Schedule 1.3(a)(xxvii).

(xxviii) "**Knowledge**" shall mean the actual knowledge, after due inquiry of a specified Person. When such specified Person is the Company, it shall include the actual knowledge, after due inquiry, of Representative, any Key Employee, and each of the Sellers. When such specified Person is Purchaser, it shall include the actual knowledge, after due inquiry, of Ian Fodie, Peter Horvath, and Tim Moore; provided, however, that in no event shall Andrew Jolley be an employee of Purchaser or Parent, notwithstanding the fact that he may become an employee of Purchaser following the Closing.

(xxix) "**Landlord Estoppel Certificate**" shall mean an estoppel certificate with respect to a Real Property Lease, dated after the Effective Date, from the landlord under such Real Property Lease containing such customary provisions to be expected in an estoppel certificate.

(xxx) "**Law**" means (a) any requirements arising under any constitution, law, statute, code, treaty, decree, rule, ordinance or regulation or any determination or direction of any arbitrator or any Governmental Authority, including common law and any Environmental

Law and also including any of the foregoing that relate to data use, privacy or protection, and (b) any License held by a Person or its subsidiaries or that otherwise relates to the business or contemplated business of or contemplated use by, or to any assets owned or used by, such Person or its subsidiaries.

(xxxi) "**Legal Proceeding**" means any claim, action, charge, lawsuit, litigation, arbitration, hearing or proceeding that has been made public or of which a Person has received written notice, administrative enforcement proceeding or other similarly formal legal proceeding (including civil, criminal, administrative or appellate proceeding) commenced, brought, conducted or heard by or pending before any Governmental Authority, arbitrator, mediator or other tribunal.

(xxxii) "**Liability**" means any liability, debt, obligation, deficiency, interest, Tax, penalty, fine, claim, demand, judgment, cause of action or other Loss (including, without limitation, loss of benefit or relief), cost or expense of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, and whether due or to become due and regardless of when asserted.

(xxxiii) "**Licensed Intellectual Property**" means those Intellectual Property Rights licensed to the Company.

(xxxiv) "**Lien**" means any option, mortgage, deed of trust, pledge, hypothecation, lien (statutory or otherwise), charge, security interest, defect of title, easement, encroachment, reservation, restriction, adverse right or interest, claim or other encumbrance (including any conditional sale or other title retention agreement and any lease having substantially the same effect as any of the foregoing and any assignment or deposit arrangement in the nature of a security device).

(xxxv) "**Lock-Up Agreement**" means that certain Lock-Up Agreement to be executed by any Sellers or any Seller Affiliate recipient of Parent Consideration Shares, as the case may be, in favor of Parent in the form attached as Exhibit D to this Agreement (which shall restrict such recipient's sale or transfer of any Parent Consideration Shares ultimately received by such recipient for the same period of time following the issuance of such Parent Consideration Shares, and on the same terms, as the senior executives and/or material stockholders of SAG are restricted with respect to the Parent Shares following the Business Combination).

(xxxvi) "**Material Adverse Effect**" means an event, change or occurrence that, individually or together with any other event, change or occurrence, has a material adverse effect or could be reasonably expected to have a material adverse effect, with or without the passage of time, on (i) the business, assets (including intangible assets), liabilities, operations (including contemplated operations), financial condition, property or results of operations of the Company or Purchaser or Parent, as applicable, or (ii) the ability of the Company and/or any Seller, or Purchaser or Parent, as applicable, to perform their material obligations under this Agreement or to consummate the transactions contemplated hereby.

(xxxvii) "**Multiemployer Plan**" has the meaning set forth in Section 3(37) of ERISA.

(xxxviii) "**New Applications**" mean those Nevada dispensary applications for additional licenses to be made available to existing license-holders.

(xxxix) "**Note**" means a Secured Promissory Note in the principal amount of the Note Amount and with a maturity date not later than six months after the Closing, substantially in the form attached as Exhibit B to this Agreement.

(xl) "**Note Amount**" means $21,565,000.

(xli) "**Owned Intellectual Property**" means, collectively, those Intellectual Property Rights owned by the Company.

(xlii) "**Parent Consideration Shares**" means the number of Parent Shares to be issued equal to the Parent Share Purchase Price, divided by the price per share of Parent Shares to be issued in connection with any Business Combination that is completed by the Share Issuance Kick-Out Date. For the avoidance of doubt, the Parent Consideration Shares shall be the same class of stock held by stockholders of SAG following the Business Combination.

(xliii) "**Parent Share Purchase Price**" means $2,837,500, to be payable in Parent Consideration Shares; provided, however, that to the extent there is no Business Combination by the Share Issuance Kick-Out Date, then the Parent Share Purchase Price shall be paid in cash in accordance with Section 1.2(e) and Section 7.8.

(xliv) "**Parent Share Purchase Price Payment Deadline**" means the earlier of (A) 2:00 p.m. Pacific time on the fifth day following the Share Issuance Kick-Out Date and (B) 2:00 p.m. Pacific time on the fifth day following the date on which Purchaser first learns that the Business Combination will not be consummated.

(xlv) "**Parent Shares**" means the shares of Parent, which, in the event the Parent Consideration Shares are issued, shall be the only class or series of stock of Parent issued to the stockholders of SAG upon the consummation of the Business Combination.

(xlvi) "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(xlvii) "**Pre-Closing Tax Period**" means any taxable period ending on or before the Closing Date, including the portion of any Straddle Period ending on the Closing Date.

(xlviii) "**Pre-Closing Taxes**" means (a) all Taxes (or the non-payment thereof) of each of the Company and Sellers (or any owner of a Seller, as applicable), for any and all Pre-Closing Tax Periods, (b) any payroll Taxes with respect to compensatory payments paid in connection with the Closing, (c) any and all Taxes of any Person imposed on the Company as a transferee or successor, by contract or pursuant to any Law, rule, or regulation, which Taxes relate to an event or transaction occurring before the Closing, (d) any Taxes resulting from any election by the Company under Code §108(i) on or prior to the Closing Date, (e) all Taxes imposed on the Company as a result of the provisions of Treasury Regulations Section 1.1502-6 or the analogous provisions of any state, local or foreign Law, and (f) all Taxes imposed on the Company or any

Seller as a result of any transaction contemplated by this Agreement including pursuant to Section 1374 of the Code and any comparable provision of state Law. For purposes of the foregoing, any property Taxes for any Straddle Period shall be allocated to the portion of the Straddle Period ending on the Closing Date on a per diem basis, and all other Taxes for any Straddle Period shall be allocated as if such Straddle Period ended on the Closing Date.

(xlix) "**Purchase Price**" means the Deposit, the Closing Cash Purchase Price, the Parent Consideration Shares or the Parent Share Purchase Price, and the Note. The Purchase Price shall be exclusive of any Indebtedness of the Company, any Change of Control Payments and Company Transaction Expenses in connection with the Transaction Agreements, all of which shall be paid by Sellers in full at the Closing, or by Purchaser (and deducted from the payment of the Closing Cash Purchase Price to be received by Sellers at Closing).

(l) "**Purchased Interest**" means one hundred percent (100%) of the membership interests of the Company.

(li) "**Purchaser's Advisors**" means Purchaser's attorneys, accountants, advisors, representatives and/or Tax advisors, if any.

(lii) "**Real Estate Option Agreements**" means, collectively, the Purchase Option Agreement for the Sahara Facility, which agreement is attached as Exhibit H (the "**Sahara Real Estate Option Agreement**"), and the Purchase Option Agreement for the Post Facility, which agreement is attached hereto as Exhibit I (the "**Post Real Estate Option Agreement**").

(liii) "**Restrictive Covenant and General Release Agreement**" shall mean the non-compete, non-solicit, non-disparagement and general release agreement, dated as of the Closing Date, from Andrew Jolley, Stephen Byrne, and Patrick Byrne, in substantially the form attached as Exhibit E to this Agreement.

(liv) "**SAG**" means Schottenstein Arviv Group Inc., a corporation existing under the *Business Corporations Act* (Ontario).

(lv) "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(lvi) "**Share Issuance Kick-Out Date**" means the first business day following the twelve (12) month anniversary of the Effective Date.

(lvii) "**Straddle Period**" means any taxable period that includes (but does not end on) the Closing Date.

(lviii) "**Surety Bonds**" means any surety bonds, indemnification bonds, dispensary license bonds or similar bonds required to be obtained and maintained by the Company under applicable Law.

(lix) "**Tax**" means (a) any federal, state, county, local, municipal or foreign income, gross receipts, net proceeds, fuel, excess profits, user, capital stock, profits,

escheat, unclaimed property, gain, registration, ad valorem, estimated, license, payroll, employment, excise, severance, stamp, occupation, premium, property or windfall profits taxes, environmental taxes, customs, duties, franchise, employees' income withholding, foreign or domestic withholding, social security (or similar, including FICA), unemployment, disability, real property, personal property (tangible or intangible), sales, use, transfer, value added, goods and services, alternative or add on minimum or other tax or any kind of any charge of any kind in the nature of taxes, assessments, duties or similar charges, including any interest, penalties or additions to Tax in respect of the foregoing, in each case whether disputed or not, imposed by any Governmental Authority, and (b) any liability for the payment of any amounts of the type described in clause (a) as a result of being a member of an affiliated, consolidated, combined or unitary group, as a result of any tax sharing or tax allocation agreement, arrangement or understanding, or as a result of being liable for another Person's taxes as a transferee or successor, by contract or otherwise.

(lx) "**Tax Return**" means any Tax return, declaration, report, claim for refund, or information return or statement filed or required to be filed by the Company.

(lxi) "**Transaction Agreements**" means this Agreement, the Membership Interest Assignment, the Note, the Amended and Restated Operating Agreement, the Lock-Up Agreement, the Restrictive Covenant and General Release Agreement, the Security Agreement, the Real Estate Option Agreements, the Escrow Agreement, and any other documents executed in connection herewith or contemplated hereby.

(lxii) "**Transaction Expenses**" means, with respect to a Party, expenses incurred in connection with the negotiation, preparation, execution and closing of the transactions contemplated by the Transaction Agreements.

(b) Interpretive Guidelines.

(i) All pronouns used in this Agreement shall be deemed to include masculine, feminine and neuter forms.

(ii) Unless the context requires otherwise: (1) the singular number includes the plural and the plural number includes the singular and shall not be interpreted to preclude the application of any provision of this Agreement to any individual or entity; (2) each reference in this Agreement to a designated "Article," "Section," "Schedule," "Exhibit," or "Appendix" is to the corresponding Section, Schedule, Exhibit, or Appendix of or to this Agreement; (3) the word "or" shall not be applied in its exclusive sense; (4) the word "all" shall be interpreted to mean "any and all"; (5) the words "include," "includes," and "including" are deemed to be followed by the phrase "without limitation"; (6) the words "relate," "relates," and "relating" are deemed to be followed by the phrase "in any way"; (7) references to "$" or "dollars" shall mean the lawful currency of the United States; and (8) the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision.

(iii) References in this Agreement to any agreement or any particular provisions of Law shall be deemed to refer to such agreement or Law as they may be amended after the Effective Date of this Agreement.

(iv) Any reference in this Agreement to "day" or number of "days" without the explicit qualification of "business" must be interpreted as a reference to a calendar day or number of calendar days. If any action or notice is to be taken or given on or by a particular calendar day and that calendar day is not a business day (i.e., any day other than a Saturday, Sunday or other day on which banking institutions in Las Vegas, Nevada are required or authorized by Law to be closed) then the action or notice is deferred until, or may be taken or given, on the next business day.

(v) Any reference in this Agreement to a date or time is a reference to that date or time in Las Vegas, Nevada, unless otherwise stated.

(vi) Any undertaking in this Agreement not to do any act or thing is deemed to include an undertaking not to permit or suffer the doing of that act or thing.

(vii) The definitions in this Agreement apply equally to both the singular and plural of the terms defined.

2. Representations and Warranties of the Company and Sellers. The Company and Sellers, jointly and severally, represent and warrant to Purchaser that, subject to the schedule of disclosures and exceptions (the "**Disclosure Schedule**") attached as Exhibit F to this Agreement, which disclosures and exceptions shall be deemed to be part of the representations and warranties made hereunder, the following representations (the "**Sale Representations**") are true and complete as of the Effective Date, and shall be true and complete as of the date of the Closing, except as otherwise indicated. The Disclosure Schedule shall be arranged in numbered schedules corresponding to the numbered and lettered sections contained in this Section 2, and the disclosures in any schedule of the Disclosure Schedule shall qualify other sections in this Section 2 only to the extent it is reasonably apparent from a reading of the disclosure that such disclosure is applicable to such other sections of this Section 2.

2.1 Organization, Good Standing, Corporate Power and Qualification.

(a) The Company is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Nevada and has all requisite power and authority to carry on its business as presently conducted and as proposed to be conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which its ownership of property or conduct of business requires it to be qualified except where such qualification would not have a Material Adverse Effect. True, correct and complete copies the Company's organizational documents currently in effect have been made available to Purchaser and reflect all amendments made thereto at any time prior to the Closing Date.

(b) Each Seller that is a corporation or limited liability company is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation or formation, as applicable, and has all requisite power and authority to carry on its business as presently conducted and as presently proposed to be conducted.

2.2 Ownership of Membership Interests; No Voting Trusts.

(a) Schedule 2.2(a) sets forth all of the authorized, issued and outstanding membership interests of the Company. Sellers own, beneficially and of record all of the membership interest of the Company set forth in Schedule 2.2(a), free and clear of any and all Liens or other restrictions or limitations whatsoever, except those imposed by applicable Law. All of the outstanding membership interests of the Company are duly authorized, validly issued, fully paid and non-assessable and were not issued in violation of any preemptive or other rights of any Person to acquire any securities of the Company. Upon delivery to Purchaser at the Closing of a Membership Interest Assignment executed by each Seller, good and valid title to the Closing Purchased Interest will pass to Purchaser, free and clear of all Liens or other restrictions or limitations whatsoever of any kind, except those imposed by applicable Law.

(b) Neither any Seller nor the Company is bound by, nor has any Seller or the Company granted to any other Person, any option, warrant, calls, purchase or other right or other contractual obligation (including, without limitation, conversion or preemptive rights and rights of first refusal or similar rights), orally or in writing, with respect to any membership interests of the Company or that could require any Seller or the Company to sell, issue, grant, transfer or otherwise dispose of any or all of the Company's membership interests, or any securities convertible into or exchangeable for membership interests in the Company.

(c) There are no voting trusts, commitments, undertakings, understandings or other restrictions to which any Seller is a party which directly or indirectly limit or restrict in any manner, or otherwise relate to, the sale or other disposition of the Purchased Interest.

2.3 Subsidiaries. The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association, or other business entity. The Company is not a participant in any joint venture, partnership or similar arrangement.

2.4 Authorization. All action required to be taken by the Company's managers and members, including without limitation, each Seller that is an entity, in order to authorize the Company and Sellers to enter into the Transaction Agreements, has been taken or will be taken prior to the Closing. All action on the part of the officers of the Company, and on the part of Sellers, necessary for the execution and delivery of the Transaction Agreements, and the performance of all obligations of the Company and Sellers under the Transaction Agreements to be performed as of the Closing has been taken or will be taken prior to the Closing. The Transaction Agreements, when executed and delivered by the Company and Sellers, shall constitute valid and legally binding obligations of the Company and Sellers, enforceable against the Company and Sellers in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other Laws of general application relating to or affecting the enforcement of creditors' rights generally, (ii) as limited by Laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and (iii) to the extent the indemnification provisions contained herein may be limited by applicable Laws.

2.5 Governmental Consents and Filings. Except for approval by the Department and Clark County, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local Governmental Authority is required on the part of the Company or any Seller in connection with the consummation of the transactions contemplated by this Agreement.

2.6 Litigation. There is no Legal Proceeding pending or, to the Company's Knowledge, currently threatened (i) against or relating to the Company or any officer, manager or Key Employee of the Company where the subject of such Legal Proceeding is related to the Company; (ii) that questions the validity of the Transaction Agreements or the right of the Company or any Seller to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; (iii) to the Company's Knowledge, that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; or (iv) against any Person with respect to the Licenses. None of the Company, any Seller, or, to the Company's Knowledge, any of the Company's officers, managers or Key Employees, is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality (in the case of officers, managers or Key Employees, such as would affect the Company), in each case where the subject is related to the Company. There is no action, suit, proceeding or investigation by the Company pending or which the Company intends to initiate, and no basis, to the Company's Knowledge, for any such action, suit, proceeding or investigation to be initiated against the Company or which relates to any of the Licenses. The foregoing includes, without limitation, actions, suits, proceedings or investigations pending or threatened (or any basis therefor known to the Company) involving the services provided to the Company by any consultant or independent contractor, the prior employment of any of the Company's employees, the services provided by any of the Company's employees, consultants or independent contractors in connection with the Company's business, any information or techniques allegedly proprietary to any former employers of the Company's employees, consultants or independent contractors, or the obligations of the Company's employees, consultants or independent contractors under any agreements with their prior employers.

2.7 Financial Statements.

(a) The Company has previously made available to Purchaser true, complete and correct copies of the Company's unaudited financial statements as of and for the years ended December 31, 2015 and December 31, 2016, and December 31, 2017 (the "**2017 Financial Statement**"), and balance sheets and statements of operations of the Company and its business for the three (3) month period ended March 31, 2018 (individually, the "**Most Recent Balance Sheet**", and collectively with the Company's unaudited financial statements as of and for the years ended December 31, 2015 and December 31, 2016, and the 2017 Financial Statement, the "**Financial Statements**").

(b) The Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**"), applied on a consistent basis throughout the period involved, and present fairly, in all respects, the financial position and results of operations of the Company as of the respective dates and for the respective periods indicated therein, except that the unaudited Financial Statements may not contain all footnotes required by GAAP. The Books and Records of the Company have been, and are being, maintained in all material respects

in accordance with applicable Law, and the Financial Statements were derived from the Company's Books and Records.

2.8 Accounts Receivable. All accounts receivable, notes and other amounts receivable of the Company ("**Receivables**") reflected in the Financial Statements represent bona fide transactions on the part of the Company. The Receivables reflected in the Financial Statements arose in the ordinary course of business, are carried at values determined in accordance with GAAP consistently applied, are to the Knowledge of the Company not subject to any valid set-off or counterclaim, do not represent obligations for goods sold on consignment, on approval or on a sale-or-return basis or subject to any other repurchase or return arrangement and are collectible except to the extent of reserves therefor set forth in the Financial Statements. No Person has any Lien on any of the Receivables and no request or agreement for deduction or discount has been made with respect to any of the Receivables since the date of the 2017 Financial Statement.

2.9 Customers and Suppliers. To the Knowledge of the Company, (a) no (i) customer representing 5% or more of the aggregate sales of the Company for fiscal year 2016 or 2017 (a "**Material Customer**") or (ii) supplier representing 10% or more of the aggregate purchases of the Company for fiscal year 2016 or 2017 (a "**Material Supplier**") has given contractually sufficient notice or otherwise indicated to the Company, in writing, that (A) it will or intends to terminate or not renew its contract, if any, with the Company before such contract's scheduled expiration date, (B) it will otherwise terminate its relationship with the Company or (C) it will or intends to materially reduce its purchases from or sales or provisions of services to the Company; (b) no Material Customer has made a material complaint to the Company in connection with its business that has not been resolved; and (c) to the Knowledge of the Company, no Material Customer or Material Supplier has filed a voluntary petition for bankruptcy protection.

2.10 Intellectual Property.

(a) The Company Intellectual Property includes all Intellectual Property Rights owned or licensed by the Company, as of Closing, and used in the Company's business as currently conducted and proposed to be conducted by the Company. The Company Intellectual Property comprises all of the Intellectual Property Rights that are reasonably necessary to the conduct of the Company's business as currently conducted and as presently proposed to be conducted, including the design, development, manufacture, use, import, marketing, and sale of any product, technology or service. The Company has good, valid and marketable title to the Company Intellectual Property free and clear of any and all Liens. With the exception of the Intellectual Property Licenses set forth in Schedule 2.10(c) and except that (y) the Company is limited to selling its cannabis products solely within in the State of Nevada (the "**Nevada Exception**") and (z) U.S. federal law prohibits the sale of cannabis products (the "**Federal Exception**"), no Owned Intellectual Property, or product or service of the Company's business, is subject to any order, settlement agreement or Contract that restricts in any manner the use, transfer, licensing or enforcing thereof by the Company or may affect the validity, use or enforceability thereof.

(b) Schedule 2.10(b)(i) forth a true, complete and correct list of all Owned Intellectual Property for which a registration or application has been filed with, or issued by or registered with, a governmental body, register service or social media account (collectively,

"**Registered Intellectual Property**"), and such list includes for each item of Registered Intellectual Property appropriate identifying details and the next upcoming deadline. Schedule 2.10(b)(ii) sets forth a true, complete and correct list of all material trademarks and service marks that are Owned Intellectual Property and not otherwise identified in Schedule 2.10(b)(i). Schedule 2.10(b)(iii) sets forth a true, complete and correct list of each corporate, trade or fictitious name under which the Company's business has been conducted at any time in the six (6) years prior to Closing. Except as set forth on Schedule 2.10(b), there are no actions that must be taken within one hundred eighty (180) days of Closing, including responding to office actions, the payment of any registration, maintenance or renewal fees or the filing of any documents, applications or certificates for the purposes of maintaining, perfecting or preserving or renewing any Registered Intellectual Property. Each item of Registered Intellectual Property is valid and subsisting, and all necessary registration, maintenance and renewal fees in connection with such Registered Intellectual Property have been paid and all necessary documents and certificates in connection with such Registered Intellectual Property have been filed with the relevant patent, copyright, trademark or other authorities in the United States or foreign jurisdictions, as the case may be, for the purposes of maintaining such Registered Intellectual Property.

(c) The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. Schedule 2.10(c) sets forth a true, complete and correct list of all written licenses and arrangements (other than ordinary course licenses of commercially available software that, in each case, does not exceed license fees of $10,000), pursuant to which the use by the Company of any Intellectual Property Rights is permitted by any Person (collectively, the "**Intellectual Property Licenses**"). The Intellectual Property Licenses are valid, binding and enforceable between the Company and the other parties thereto and are in full force and effect. There is no default under any Intellectual Property License by the Company and, to the Knowledge of the Company, by any other party thereto, and no event has occurred that with the lapse of time or the giving of notice or both would constitute a default thereunder. To the Company's Knowledge, there are no Intellectual Property Licenses for which there are any threatened, or ongoing actions, claims or proceedings or, to the Knowledge of the Company, other disputes regarding the scope of such agreement, or performance under such agreement including with respect to any payments to be made or received by the Company.

(d) Except as set forth on Schedule 2.10(d), all employees, consultants and other Persons of the Company involved in the development of Owned Intellectual Property have entered into confidentiality and assignment of inventions agreements substantially in the form made available to Purchaser. Accordingly, to the extent that any Owned Intellectual Property has been developed or created by any Person other than the Company or jointly with any Person other than the Company, the Company has a valid, enforceable and written assignment sufficient to irrevocably transfer all rights in such Owned Intellectual Property to the Company, and the Company is the exclusive owner of all such Owned Intellectual Property. In each case in which the Company has acquired any Owned Intellectual Property from any Person, the Company has obtained a valid and enforceable assignment sufficient to irrevocably transfer all rights in such Owned Intellectual Property to the Company. The Company has obtained releases for all Persons featured, or who's name or likeness is used, in any of the Company's current or proposed products,

services advertising, marketing materials and related collateral substantially in the form included in Schedule 2.10(d).

(e) The Company has not transferred ownership of, or granted any exclusive license of or exclusive right to use, or authorized the retention of any exclusive rights to use or joint ownership of, any Owned Intellectual Property to any Person. Schedule 2.10(e) contains a complete and correct list of all contracts under which the Company has granted to others a non-exclusive license, covenant not to sue or any other interest in, or any right to use or exploit, any Owned Intellectual Property.

(f) To the Company's Knowledge – except with respect to (i) the Company's name, (ii) the appearance of the Sahara Facility and the Post Road Facility and (iii) the Company's packaging of its product, regarding which clauses (i) through (iii) only the representation in the first sentence of this Section 2.10(f) is given without qualification as to Knowledge, the operation of the business as currently conducted and as presently proposed to be conducted by the Company, including the design, development, use, import, branding, advertising, promotion, marketing, manufacture, and sale of any product, technology or service of the business of the Company does not infringe or misappropriate, and will not infringe or misappropriate, when conducted in substantially the same manner following the Closing, any Intellectual Property Rights of any Person, violate any right of any Person (including any right to privacy or publicity), or constitute unfair competition or trade practices under the Laws of any jurisdiction. The Company has not received notice from any Person claiming that such operation or any act, any product, technology or service or Owned Intellectual Property infringes or misappropriates any Intellectual Property rights of any Person, violates any right of any Person (including any right to privacy or publicity), or constitutes unfair competition or trade practices under the Laws of any jurisdiction (nor does the Company have Knowledge of any basis therefor).

(g) There is no claim or demand of any Person pertaining to, or any proceeding which is pending, or to the Knowledge of the Company threatened, that challenges the rights of the Company, in respect of any Owned Intellectual Property. To the Knowledge of the Company, no Person is infringing or misappropriating any Owned Intellectual Property.

(h) Neither this Agreement nor the transactions contemplated by this Agreement will result in (i) any third party being granted rights or access to any Owned Intellectual Property, (ii) the Company losing any right to any Owned Intellectual Property or under any Intellectual Property Licenses, or (iii) the Purchaser being obligated to pay any royalties or other amounts to any third party in excess of those payable by the Company prior to Closing pursuant to any contract to which the Company is a party or by which it or its assets is bound.

(i) The Company reasonably endeavors to prevent the introduction of contaminants into products and services (and all parts thereof) of the Company from software licensed from third parties. The Company has taken reasonable steps and implemented reasonable procedures to protect the information technology systems used in connection with the operation of the business from contaminants, including any and all "back door," "time bomb," "Trojan horse," "worm," "drop dead device," "virus" or other software routines or hardware components designed to permit unauthorized access or the unauthorized disablement or erasure of data or other software.

To the Knowledge of the Company, there have been no material unauthorized intrusions or breaches of the security of information technology systems of the Company.

2.11 Compliance with Other Instruments.

(a) Neither the Company nor any Seller is in violation or default (i) of any provisions of their respective formation or governing documents, including, without limitation, the Company's Articles of Organization and operating agreement, (ii) of any instrument, judgment, order, writ or decree, (iii) under any note, indenture or mortgage, (iv) under any lease, agreement, contract or purchase order to which the Company or any Seller is a party and which is material to the business of the Company, or (v) of any provision of federal, state or local statute, rule or regulation applicable to the Company, with the exception of the Federal Exception. Subject to the Nevada Exception and the Federal Exception, the execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either (A) a default under any such provision, instrument, judgment, order, writ, decree, contract or agreement, or a default under any provision, instrument, judgment, order, writ, decree, contract or agreement to which the Company or any Seller is bound; or (B) an event which results in the creation of any lien, charge or encumbrance upon the Purchased Interest or any assets of the Company, or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company, including, without limitation, the Licenses.

(b) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated in this Agreement, will, directly or indirectly (i) contravene, conflict with, or result in a violation of any statute, regulation, or judicial or administrative order to which the Company or any Seller, or any of their assets, may be subject, subject to the Federal Exception; (ii) contravene, conflict with, or result in a violation or breach of any provision of the Company's or any Seller's organizational documents, as applicable; (iii) contravene, conflict with, or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any agreement or contract to which the Company or any Seller is a party; or (vi) result in the imposition or creation of any Lien upon or with respect to the Purchased Interest or the Company's assets, except for those Liens expressly created through this Agreement, if any.

2.12 Agreements; Actions. Except as set forth in Schedule 2.12 (each such Contract, a "**Material Contract**"):

(a) There are no agreements, understandings, instruments, contracts or proposed transactions to which the Company is a party or by which it is bound that involve (i) obligations (contingent or otherwise) of, or payments to, the Company in excess of $20,000 annually or over the lifetime of such agreement, understanding, instrument, contract or proposed transaction, which, in the case of obligations of the Company, is not terminable without penalty upon notice of 30 days or fewer, (ii) the license of any patent, copyright, trademark, trade secret or other proprietary right to or from the Company, (iii) the grant of rights to manufacture, produce, assemble, license, market, or sell its products or services, including, without limitation, medical

marijuana, (iv) indemnification by the Company with respect to infringements of proprietary rights, or (v) obligations outside the ordinary course of business or inconsistent with any past practices of the Company.

(b) The Company is not a party to any written cannabis service provider contracts for a fixed term;

(c) The Company has not (i) except as otherwise provided in Section 2.17(n) of this Agreement, authorized or declared any distribution upon or with respect to its membership interests that have not been paid in full, (ii) incurred any Indebtedness for money borrowed or incurred any other liabilities in excess of $20,000, individually or in the aggregate, (iii) made any loans or advances to any Person, other than ordinary advances for travel expenses, or (iv) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business. For the purposes of (a) and (b) of this Section 2.12, all Indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same Person (including Persons the Company has reason to believe are affiliated with each other) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such subpart.

(d) The Company is not a guarantor or indemnitor of any Indebtedness of any other Person.

(e) The Company is not a party to any contract that purports to: (i) limit, curtail or restrict the ability of the Company in any respect to: compete with any other Person or compete in any geographic area (it being understood that the Company is limited to selling its cannabis products solely within the State of Nevada), line of business, or market; make sales or provide services to any Person in any manner; use or enforce any Owned Intellectual Property; or develop or distribute any technology or intellectual property right, (ii) solicit the employment of, or hire, any potential employees, consultants, or contractors of any Person, or (iii) grant the other party or any customer "most favored nation" pricing or similar status;

(f) Neither the Company nor any Seller is a party to any contracts creating or relating to any partnership or joint venture or any sharing of revenues, profits, losses, costs or Liabilities or the payment of any royalties with respect to the Company;

(g) The Company is not bound by any contract to provide or license any of its products or services to any third party on an exclusive basis or to license any product or service on an exclusive basis from a third party;

(h) There are no contracts pursuant to which the Company grants rights or authority to any Person with respect to any owned Intellectual Property or Licensed Intellectual Property other than customer agreements entered into in the ordinary course of business;

(i) There are no contracts relating to the acquisition, transfer, use, development, sharing or license of any technology or Intellectual Property rights;

(j) The Company is not bound by any contract under which the Company has a warranty obligation inconsistent with past practices or any indemnification obligation except for any contract otherwise disclosed under another subsection of this Section 2.12;

(k) There are no contracts relating to future expenditures anticipated to result in aggregate costs in excess $20,000; and

(l) The Company is not bound by any contract pursuant to which the Company has delivered, or is required to deliver, its source code to third parties, including any source code escrow agents, or may otherwise be required to release its source code to third parties; and

(m) The Company is not a party to any contract with any person characterized and treated by the Company as a consultant or independent contractor that provides for aggregate compensation in excess of $50,000 per annum (or if term of such contract is less than a year, $50,000 on an annualized basis).

2.13 Certain Transactions. Except as set forth in Schedule 2.13:

(a) Other than standard manager and member indemnification agreements included in the Company's operating agreement, there are no agreements, understandings or proposed transactions which have not been performed in full between the Company and any of its managers, members, officers, directors, consultants or employees, or any Affiliate thereof.

(b) The Company is not indebted, directly or indirectly, to any of its members, directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing. None of the Company's members, directors, officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or have any (i) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors, (ii) direct or indirect ownership interest in any Person with which the Company is affiliated or with which the Company has a business relationship, or any Person which competes with the Company except that managers, members, directors, officers, employees or equityholders of the Company may own equity in (but not exceeding two percent (2%) of the outstanding equity of) publicly traded companies that may compete with the Company; or (iii) financial interest in any contract with the Company, in each case, that relate to any obligations, agreements, or contracts (whether written or oral) of or involving the Company that are not on arms'-length terms.

2.14 Rights of Registration and Voting Rights. The Company is not under any obligation to register under the Securities Act any of its currently outstanding securities. No member of the Company has entered into any agreements with respect to the voting of membership interests of the Company.

2.15 Assets and Property. Except as set forth in Schedule 2.15:

(a) As of the Closing date, the Company shall own good and valid title to the Licenses, all of which shall be free and clear of all Liens, except as set forth in Schedule 2.15(a). The Company owns no real property assets.

(b) Schedule 2.15(b) sets forth each parcel of real property leased, subleased or licensed by the Company (together with all rights, title and interest of the Company in and to leasehold improvements relating thereto, including, but not limited to, security deposits, reserves or prepaid rents paid in connection therewith, collectively, the "**Leased Real Property**"), including the name of the landlord, the name of the tenant, and the location of the real property, and a true and complete list of all leases, subleases, licenses, concessions and other agreements (whether written or oral), including all amendments, extensions, renewals, guaranties and other agreements with respect thereto, pursuant to which the Company holds any Leased Real Property (collectively, the "**Real Property Leases**"). With respect to the Real Property Leases, (i) each Real Property Lease is in full force and effect, the Company is in compliance with each Real Property Lease including payment of all rent due and payable under the Real Property Leases, and no event has occurred or circumstance exists which, with the delivery of notice, passage of time or both, would constitute a breach or default of any Lease, (ii) the Company has neither received nor given a notice of any default or event that with notice or lapse of time would constitute a default by the Company or any other party under any of the Real Property Leases, (iii) the Company holds a valid leasehold interest free of any Liens other than those of the lessors of such Leased Real Property, and (iv) the Company has not subleased, assigned or otherwise granted any other parties the right to use or occupy any of the Leased Real Property or any portion thereof.

(c) The Company has not received, and to the Company's Knowledge, no other Party has received with respect to any Leased Real Property, any citation, subpoena, summons or other written notice from any Governmental Authority alleging any non-compliance or violation of any zoning, fire, health and building codes. To the Knowledge of the Company, the use by the Company of the Leased Real Property is in compliance in all material respects with all applicable Laws, subject to the Federal Exception.

(d) No Real Property Lease contains any provision providing that the other party may terminate or exercise other rights under such Real Property Lease as a result of the consummation of the transactions contemplated by this Agreement or the other Transaction Agreements and no third party Consent is required under any Real Property Lease to consummate the transaction contemplated by this Agreement or the other Transaction Agreements. The Company has made available to Purchaser, true, correct and complete copies of the Real Property Leases, together with all amendments, modifications or supplements, if any, thereto, and any material correspondence with any of the parties to the Real Property Leases or with any Governmental Authority, and any other material written agreements related to the Leased Real Property.

(e) To the Knowledge of the Company, the buildings, structures, fixtures and building systems included in the Leased Real Property are, in all material respects, in good operating condition and repair, except with respect to ordinary wear and tear and ordinary and customary scheduled maintenance and repair, free from structural, physical and mechanical defects, are maintained in a manner consistent with standards generally followed with respect to similar properties, and are structurally sufficient for the conduct of the Company's business. Neither the Company nor any Seller is a party to any contract or subject to any claim that may require the payment of any real estate brokerage commissions, and no such commission is owed with respect to any of the Real Property Leases.

(f) Each tangible property and asset of the Company, whether owned or leased, which has a fair market value or book value in excess of $20,000 is set forth in Schedule 2.15(f).

(g) The Company has good and valid title, free and clear of all Liens, to all of the assets, properties, interests and rights (including real property and tangible and intangible personal property), reflected in the Financial Statements, otherwise used in the operation or conduct of the business of the Company, or necessary or advisable to conduct the Company's business as currently conducted, including all of the tangible and intangible personal property including plant, machinery, equipment, tools, supplies, furniture, furnishings, vehicles and other fixed assets (collectively, "**Personal Property**"), except for Personal Property disposed of in the ordinary course of business consistent with past practice, since the date of the Most Recent Balance Sheet. The Company owns all of the Personal Property necessary for the conduct of the Company's business as currently conducted.

(h) Other than through its ownership of the Company, no Seller owns or controls, whether directly or indirectly through an Affiliate, any assets, whether tangible or intangible or of any type or nature, that are used by or in connection with the businesses and/or operations of the Company, as such businesses and/or operations are currently conducted by Company or have been conducted by the Company within the twelve (12) months preceding the Effective Date (such assets, "**Outside Assets**").

(i) All of the tangible personal property used in the Company's business is in good operating condition, ordinary wear and tear excepted, and is adequate and suitable for the purposes for which it is presently being used.

(j) Each item of Personal Property that the Company has possession of pursuant to a lease agreement or other similar contractual arrangement is set forth on Schedule 2.15(j) (the "**Leased Personal Property**"), and is in such condition that, upon its return to its lessor or owner under the applicable lease or contract, the obligations of the Company to such lessor or owner will have been discharged in full.

(k) The inventories of the Company with respect to its business which are included in the assets of the Company (the "**Inventory**") are in the physical possession of the Company or in transit to or from a customer or supplier of the Company and no Inventory has been pledged as collateral or otherwise is subject to any Lien or is held on consignment from others. The Inventory reflected in the Financial Statements was, and the Inventory reflected on the Company books of account has been, determined and valued in accordance with GAAP applied, in the case of the Inventory reflected on the Company's books and records, on a basis consistent with the Financial Statements. The Inventory was acquired or produced in the ordinary course of business. Except as reflected in the reserve for obsolete inventory in the Financial Statements or the Company books of account, the Inventory is of a quality presently useable and salable in the ordinary course of business, and the quantities of each type are not and will not be excessive in amount. As of the Effective Date, the book value of the Inventory (including cultivation and production Inventory) is no less than $1,606,799.62, and shall not be less than $1,606,799.62 as of the Closing Date.

2.16 Material Liabilities. Except as set forth in Schedule 2.16, the Company has no liability or obligation, whether accrued, absolute, contingent, known, unknown or otherwise (individually or in the aggregate), except (i) obligations and liabilities incurred after the Most Recent Balance Sheet in the ordinary course of business that are not material, individually or in the aggregate, and (ii) obligations and liabilities under contracts (not arising by virtue of a breach thereunder) made in the ordinary course of business that would not be required to be reflected in financial statements prepared in accordance with GAAP, and would not reasonably be expected to be material to the Company, individually or in the aggregate.

2.17 Changes. Except as set forth in Schedule 2.17, since the date of the 2017 Financial Statement, there have been no events or circumstances of any kind that have had or could reasonably be expected to result in a Material Adverse Effect. Without limiting the generality of the foregoing, there has not been or the Company has not:

(a) modified any Contract listed in Schedule 2.12 or terminated any Material Contract that if not terminated would have been listed therein;

(b) suffered any material damage, destruction or loss to any of its properties or assets (whether or not covered by insurance);

(c) satisfied or discharged any Lien or paid or incurred any obligation or liability in excess of $20,000;

(d) mortgaged, pledged, transferred a security interest in, or subjected to any Lien any of its properties or assets, except Liens for Taxes not yet due or payable and Liens that arise in the ordinary course of business and that do not materially impair the Company's ownership or use of such property or assets;

(e) entered into any loans or guarantees to or for the benefit of its managers, members, employees or officers, or any members of their immediate families;

(f) sold, assigned, or transferred any material Company Intellectual Property;

(g) purchased, sold, leased, exchanged or otherwise disposed of or acquired any property or assets for which the aggregate consideration paid or payable is in excess of $20,000 in any individual or series of related transactions, except inventory in the ordinary course of business;

(h) changed its accounting practices or policies;

(i) made or changed any Tax election, adopted or changed any Tax accounting method, settled or compromised any Tax claim or assessment, entered into any closing agreement in respect of Taxes, filed any amended Tax Return, or consented to the waiver or extension of the limitations period for any Tax claim or assessment;

(j) disposed or agreed to dispose of any material properties or assets;

(k) canceled or forgiven without fair consideration any material Indebtedness or claims;

(l) issued any membership interests in the Company;

(m) granted options, warrants, calls or other rights to purchase or otherwise acquire membership interests or other securities of the Company;

(n) declared, set aside, made or paid any dividend or other distribution in respect of the membership interests of the Company, other than (i) for the period ending on the Effective Date, monthly distributions to the Company's members of all cash that exceeded the minimum amount needed for the Company's monthly operations and (ii) for the period beginning on the Effective Date and ending on the date of the Closing, monthly distributions of all cash that exceeds $200,000 in the aggregate per calendar month (the "**Monthly Operating Amount**"), including, in the event the Closing does not occur on the final day of a month, a final distribution to be calculated and made as of the day immediately preceding the Closing Date of all cash that exceeds the portion of the Monthly Operating Amount equal to a fraction, the numerator of which shall be the number of days that have elapsed in the month of the Closing Date and the denominator of which shall be the total number of days in such month; for the avoidance of doubt, nothing in this Section 2.17(n) or any other provision of this Agreement or any of the other Transaction Agreements shall require or be deemed to require that more than $200,000, in the aggregate, remain on deposit in any Company bank account at the Closing.

(o) repurchased, redeemed or otherwise acquired any outstanding membership interests of the Company or other securities of the Company;

(p) transferred, issued, sold or disposed of any membership interests or other securities of the Company, or granted options, warrants, calls or other rights to purchase or otherwise acquire membership interests or other securities of the Company;

(q) commenced or settled any lawsuit by the Company, or been given notice of the commencement or settlement of any lawsuit or proceeding or other investigation, or the threat thereof, against the Company or relating to any of its businesses, properties or assets;

(r) entered into any agreement with any workers' representative organization, bargaining unit or Union;

(s) received written notice of any claim for wrongful discharge or any other unlawful employment or labor practice or action with respect to the Company;

(t) incurred any Indebtedness or amendment of the terms of any outstanding Indebtedness, except for obligations to reimburse Employees for travel and business expenses incurred in the ordinary course of business consistent with past practices;

(u) changed the Company's ordinary course cash management practices with respect to the collection of Receivables and payment of payables and other current Liabilities;

(v) hired or terminated any senior management-level employee of the Company, promoted, demoted or made any other change to the employment status or title of any officer or manager of the Company, or had any director or manager of the Company resign or be removed;

(w) increased or made any other change to the salary, employment status, title or other compensation (including equity based compensation) payable or to become payable by the Company to any of its officers, directors, managers, employees or consultants, other than increases to base wages or salaries in the ordinary course of business;

(x) entered into any agreement, Contract or commitment for the grant by the Company of any severance, termination pay or bonus (in cash or otherwise) to any Employee, including any officer or manager;

(y) effected any recapitalization, reclassification, unit split or like change in the capitalization of the Company;

(z) entered into any new line of business or materially changed the operations or business plan for any existing line of business;

(aa) merged or consolidated with, or agreed to merge or consolidate with, or purchased or agreed to purchase all or substantially all of the assets of, or otherwise acquired or agreed to acquire, any business, business organization or division of any other Person;

(bb) amended the Articles of Organization or operating agreement of the Company; or

(cc) arranged or committed to take any of the foregoing actions described in this Section 2.17.

2.18 Employee Matters.

(a) As of the Effective Date, the Company employs 104 full-time employees and five part-time employees, and engages seven consultants or independent contractors. The Company has provided Purchaser a true, complete and accurate list (and has updated such list as of the Effective Date) of all Persons who are employees, consultants or independent contractors of the Company (including any employee on leave of absence), and for each such Person has provided the following, as applicable: (i) name; (ii) title or position; (iii) full-time or part-time basis; (iv); hire date; (v) current base compensation rate; (vi) commission, bonus, or other incentive-based compensation; and (vii) designation as either exempt or non-exempt from the overtime requirements of the Fair labor Standards Act and applicable state Laws. Schedule 2.18(a) sets forth a detailed description of all compensation, including applicable annual base salary or hourly rate, commission, bonus, incentive-based compensation, severance obligations and deferred compensation, paid or payable for each officer, employee, consultant and independent contractor of the Company who received compensation in excess of $50,000 for the fiscal year ended December 31, 2017, or is anticipated to receive compensation in excess of $50,000 for the fiscal year ending December 31, 2018.

(b) Schedule 2.18(b) sets forth any employment, consulting or professional services contract with any current employee or other Person providing services to Company providing for base compensation in excess of $50,000 per annum (excluding offer letters on the Company's standard form in the ordinary course of business to its employees) or providing for payments upon the completion of any acquisition of the Company.

(c) To the Knowledge of the Company, none of the Company's employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would materially interfere with such employee's ability to promote the interest of the Company or that would conflict with the Company's business. Neither the execution or delivery of the Transaction Agreements, nor the carrying on of the Company's business by the employees of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any contract, covenant or instrument under which any such employee is now obligated.

(d) The Company is not delinquent in payments to any of its employees, consultants, or independent contractors for any wages, salaries, commissions, bonuses, or other direct compensation or remuneration for any service performed for it to the Effective Date, or amounts required, as of the Effective Date, to be reimbursed to such employees, consultants or independent contractors. The Company has withheld and paid to the appropriate governmental entity or is holding for payment not yet due to such governmental entity all amounts required to be withheld from employees of the Company and is not liable for any arrears of wages, taxes, penalties or other sums for failure to comply with any of the foregoing.

(e) To the Company's knowledge, no employee intends to terminate employment with the Company or is otherwise likely to become unavailable to continue as an employee. The Company does not have a present intention to terminate the employment of any employee. The employment of each employee of the Company is terminable at the will of the Company. Except as expressly required elsewhere in this Agreement or as set forth in Schedule 2.18(e) or as required by Law, upon termination of the employment of any employees of the Company, no severance or other payments will become due. Except as set forth in Schedule 2.18(e), the Company has no policy, practice, plan or program of paying severance pay or any form of severance compensation in connection with the termination of employment services.

(f) The Company has not made any representations to employees regarding equity incentives to any officer, employee, director, or consultant of the Company.

(g) Each former Key Employee whose employment was terminated by the Company has entered into an agreement with the Company providing for the full release of any claims against the Company or any related party arising out of such employment.

(h) To the Company's Knowledge, none of the Key Employees or directors of the Company has been (a) subject to voluntary or involuntary petition under the federal bankruptcy Laws or any state insolvency Law or the appointment of a receiver, fiscal agent or similar officer by a court for his or her business or property; (b) convicted in a criminal proceeding or named as a

subject of a pending criminal proceeding (excluding traffic violations and other minor offenses); (c) subject to any order, judgment or decree (not subsequently reversed, suspended, or vacated) of any court of competent jurisdiction permanently or temporarily enjoining him or her from engaging, or otherwise imposing limits or conditions on his or her engagement in any type of business; or (d) found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission to have violated any federal or state securities, commodities, or unfair trade practices Law, which such judgment or finding has not been subsequently reversed, suspended, or vacated.

(i) The Company is and has been in compliance in all material respects with all applicable Laws pertaining to employment, employment practices, terms and conditions of employment, labor relations, collective bargaining, worker classification, Tax withholding, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, meal and rest periods, immigration, employee safety and health, classification of employees as exempt or non-exempt from minimum wage and overtime compensation, payment of wages (including overtime compensation), compensation, hours of work, child labor, sick, vacation and other paid time off, leaves of absence, uniformed services employment and reemployment, workers' compensation insurance, and unemployment insurance, and in each case, with respect to employees: (i) has withheld and reported all amounts required by applicable Law or by agreement to be withheld and reported with respect to wages, salaries and other payments to employees, (ii) is not liable for any arrears of wages (including overtime compensation), severance pay or any taxes or any penalty for failure to comply with any of the foregoing, and (iii) is not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for Employees (other than routine payments to be made in the normal course of business and consistent with past practice).

(j) The Company is not a party to or bound by, nor has it ever been a party to or bound by, any union agreement or collective bargaining agreement or work rules or practices agreed to with any labor organization, trade union, works council, employee association or similar grouping of employee representation ("**Union**") representing any of its employees, and there are no Unions purporting to represent or, to the Company's Knowledge, attempting to represent any employee. There are no representation hearings, grievances, arbitrations, unfair labor practice charges, or other labor disputes pending before the National Labor Relations Board or any similar Governmental Authority or, to the knowledge of the Company, threatened against the Company.

(k) Within the past five (5) years, there have been no actions, suits, claims or administrative matters pending or, to the Company's Knowledge, threatened or reasonably anticipated against the Company or any of its employees relating to any employee, consultant, contractor, employee agreement, consulting agreement, or independent contractor agreement. There are no internal complaints or reports by any current or former employee, consultant, or independent contractor pursuant to the anti-harassment policy of the Company that are pending or under investigation. The Company is not a party to a conciliation agreement, consent decree or other agreement or order with any federal, state, or local agency or Governmental Authority with respect to employment practices.

(l) No Legal Proceeding has been filed or commenced against the Company or, to the Company's Knowledge, any employees thereof, that: (i) alleges any failure to comply with federal immigration Laws; or (ii) seeks removal, exclusion or other restrictions on (A) such employee's ability to reside and/or accept employment lawfully in the United States and/or (B) the continued ability of the Company to sponsor employees for immigration benefits. The Company maintains adequate internal systems and procedures to provide reasonable assurance that all employee hiring is conducted in compliance with all applicable Laws relating to immigration and naturalization. No audit, investigation, or other Legal Proceeding has been commenced against the Company at any time with respect to its compliance with applicable Laws relating to immigration and naturalization in connection with its hiring practices.

(m) The Company has not taken any action which would constitute a "plant closing" or "mass layoff" within the meaning of the WARN Act or similar state or local applicable Law, issued any notification of a plant closing or mass layoff required by the WARN Act or similar state or local applicable law, or incurred any Liability or obligation under WARN or any similar state or local applicable Law that remains unsatisfied. No terminations of employment prior to the Closing would trigger any notice or other obligations under the WARN Act or similar state or local applicable Law.

(n) The Company does not have any material Liability with respect to any misclassification of: (a) any Person as an independent contractor rather than as an employee, (b) any temporary employee or employee leased from another employer, or (c) any employee currently or formerly classified as exempt from minimum and overtime wages.

(o) The consummation of the transactions contemplated by this Agreement will not: (i) make operative any bonus, incentive, deferred compensation, severance, termination, retention, change of control, stock option, stock appreciation, stock purchase, phantom stock or other compensation plan, program, arrangement, agreement, policy or understanding, whether written or oral, that provides or may provide benefits or compensation to any employees; (ii) result in (A) an increase in the amount of compensation or benefits of any of employees or (B) the acceleration of the vesting or timing of payment of any compensation or benefits payable to or in respect of any employees or (iii) result in a violation of or an impermissible accrual or allocation under applicable Laws, except, with respect to (i) and (ii), to the extent (and in the amounts) identified as Change of Control Payments on Schedule 2.18(o).

(p) Each employee of the Company has entered into a non-disclosure agreement with the Company in substantially the form made available to Purchaser.

2.19 Employee Benefit Plans.

(a) Schedule 2.19(a) sets forth all Employee Benefit Plans. No Employee Benefit Plan is, and neither the Company nor any of its ERISA Affiliates sponsors, maintains, contributes to, has any obligation to contribute to, or has, sponsored, maintained, contributed to or had any obligation to contribute to (i) a "pension plan" under Section 3(2) of ERISA that is subject to Title IV of ERISA, (ii) a Multiemployer Plan, (iii) a "multiple employer plan" within the meaning of ERISA or an employee benefit plan subject to Section 413(c) of the Code or (iv) a "multiple employer welfare arrangement" within the meaning of Section 3(40) of ERISA.

(b) The Company has made all required contributions and has no liability to any such Employee Benefit Plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA, and has complied in all material respects with all applicable Laws for any such employee benefit plan.

(c) With respect to each Employee Benefit Plan, the Company has made available to the Purchaser true and complete copies of (i) each Employee Benefit Plan (or, if not written, a written summary of its material terms), including without limitation all plan documents, trust agreements, insurance contracts or other funding vehicles and all amendments thereto, (ii) all summaries and summary plan descriptions, including any summary of material modifications (iii) the three (3) most recent annual reports (Form 5500 series) filed with the Department of Labor (with all schedules and attachments), (iv) the three (3) most recent actuarial reports or other financial statements relating to such Employee Benefit Plan, (v) the most recent determination or opinion letter, if any, issued by the Internal Revenue Service and any pending request for such a letter, (vi) the three (3) most recent nondiscrimination tests performed under the Code, (vii) all agreements or contracts with any service provider with respect to any Employee Benefit Plan and (viii) all filings made with any Governmental Authority, including but not limited to any filings under the Employee Plans Compliance Resolution System or the Department of Labor Delinquent Filer Program. Each Employee Benefit Plan complies in all respects in form, and has in operation been administered in all material respects in accordance with, its terms and all applicable Laws, including ERISA and the Code, and all contributions required to be made under the terms of any Employee Benefit Plan as of the Effective Date have been timely made or, if required but not yet due, have been properly reflected on the most recent consolidated balance sheet filed or incorporated by reference in the Financial Statements prior to the Effective Date. Except as set forth on Schedule 2.19(c), with respect to each Employee Benefit Plan, all tax, annual reporting and other governmental filings required by ERISA and the Code have been timely filed with the appropriate governmental entity and all material notices and disclosures have been timely provided to participants. With respect to the Employee Benefit Plans, no event has occurred and, to the Company's Knowledge, there exists no condition or set of circumstances in connection with which the Company could be subject to any material Liability (other than for routine benefit liabilities) under the terms of, or with respect to, such Employee Benefit Plans, ERISA, the Code or any other applicable Law related to Employee Benefit Plans. There are no pending audits or investigations by any governmental entity involving any Employee Benefit Plan, and no threatened or pending claims (except for individual claims for benefits payable in the normal operation of the Employee Benefit Plans), suits or proceedings involving any Employee Benefit Plan, any fiduciary thereof or service provider thereto. None of the Company, Sellers or any ERISA Affiliate has any Liability under Section 502 of ERISA. All contributions and payments to such Employee Benefit Plan are deductible under Sections 162 or 404 of the Code.

(d) Each Employee Benefit Plan which is intended to qualify under Section 401(a) of the Code has either (i) received a favorable determination letter from the Internal Revenue Service as to its qualified status, or (ii) may rely upon a favorable prototype opinion letter from the Internal Revenue Service, and each trust established in connection with any Employee Benefit Plan which is intended to be exempt from federal income taxation under Section 501(a) of the Code is so exempt. To the Company's Knowledge, no fact or event has occurred that could cause the loss of the qualified status of any such Employee Benefit Plan or the exempt status of any such trust. Each Employee Benefit Plan can be amended, terminated or otherwise discontinued in

accordance with its terms, without Liability (other than Liability for ordinary administrative expenses typically incurred in a termination event). Neither the Company, nor to the Company's Knowledge, any other person or entity has any express or implied commitment, whether legally enforceable or not, to modify, change or terminate any Employee Benefit Plan, other than with respect to a modification, change or termination required by ERISA or the Code.

(e) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, either alone or in combination with any other event, will (i) entitle any current or former employee, consultant or director or any group of such employees, consultants or directors to any payment of compensation; (ii) increase the amount of compensation or benefits due to any such employee, consultant or director; or (iii) accelerate the vesting, funding or time of payment of any compensation, equity award or other benefit. No amount that could be received (whether in cash, property, the vesting of property or otherwise) as a result of or in connection with the consummation of the transactions contemplated by this Agreement (either alone or in combination with any other event) or by any of the Transaction Agreements, by any employee, officer, director or other service provider of the Company who is a "disqualified individual" (as such term is defined in Treasury Regulation Section 1.280G-1) could be characterized as an "excess parachute payment" (as defined in Section 280G(b)(1) of the Code).

(f) No Employee Benefit Plan provides any of the following retiree or post-employment benefits to any person: medical, disability or life insurance benefits.

(g) Each Employee Benefit Plan that is a "nonqualified deferred compensation plan" (within the meaning of Section 409A(d)(1) of the Code), if any, has been maintained and operated in documentary and operational compliance with Section 409A of the Code. No payment pursuant to any Employee Benefit Plan or other arrangement to any "service provider" (as such term is defined in Section 409A of the Code) would subject any person to tax pursuant to Section 409A of the Code, whether pursuant to this Agreement or otherwise.

(h) The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union, and no labor union has requested or, to the Knowledge of the Company, has sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labor dispute involving the Company pending, or to the Company's Knowledge, threatened, which could have a Material Adverse Effect, nor is the Company aware of any labor organization activity involving its employees.

2.20 Tax Returns and Payments.

(a) There are no Taxes due and payable by the Company which have not been timely paid (whether or not shown on any Tax Return). There are no accrued and unpaid Taxes of the Company which are due, whether or not assessed or disputed. The Company has duly and timely filed all Tax Returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to Taxes for any year.

(b) There are no Liens for Taxes (other than for current taxes not yet due and payable) on any assets of the Company or any Seller.

(c) Neither the Company nor any Seller has received any notice or received any other communication from any Governmental Authority that any Tax deficiency or delinquency has been asserted against the Company. There is no unpaid assessment, proposal for additional Taxes, deficiency or delinquency in the payment of any of the Taxes of the Company that has been asserted by any Governmental Authority through the Closing Date. To the Company's Knowledge, no audit or other examination of any tax return of the Company is presently in progress, and the Company has not received notice or received any other communication from any Governmental Authority that a Governmental Authority audit of the Company is pending or that such audit is threatened through the Closing Date. No adjustment relating to any tax return filed by the Company has been proposed by any Governmental Authority. The Company has not executed any waiver of any statute of limitations on or extending the period for the assessment or collection of any Tax. The Company and to the Company's Knowledge, each Seller has complied with applicable Laws relating to Taxes.

(d) The Company (i) has never been a member of an affiliated or combined group filing a combined or unitary tax return for federal, state, local or foreign Tax purposes (except that the Company is treated for Tax purposes as a disregarded entity owned by any Seller), and (ii) has never been a party to any joint venture, partnership or other agreement that could reasonably be treated as a partnership for Tax purposes.

(e) The Company is not now, and at no time in the past has been, a party to or bound by a Tax-sharing, allocation or indemnification agreement or any similar arrangement.

(f) The Company has not participated in a transaction that either constitutes a "listed transaction" or a "reportable transaction" within the meaning of Section 6707A(c) of the Code or Treasury Regulation Section 1.6011-4(b) as of the Closing Date.

(g) No Seller is a "foreign person" as defined in Section 1445(f)(3) of the Code. The Company has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(h) The Company has not distributed equity of another entity, or has had its equity distributed by another entity.

(i) The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for a taxable period ending on or prior to the Closing Date, (ii) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of applicable Law with respect to state, local or foreign income Tax) executed on or prior to the Closing Date, (iii) installment sale or open transaction disposition made on or prior to the Closing Date, (iv) prepaid amount received on or prior to the Closing Date, (v) utilization of a method of accounting other than the accrual method or (vi) election made pursuant to Section 108(i) of the Code on or prior to the Closing Date.

(j) The Company is not subject to Tax in any country other than its country of incorporation or formation by virtue of having a permanent establishment or other place of business in such other country.

(k) There is no contract, agreement, plan or arrangement to which the Company is a party, including the provisions of this Agreement, covering any Company employee or service provider, which, individually or collectively, could give rise to the payment of any amount that would not be deductible pursuant to Sections 280G or 404 of the Code.

(l) Neither the Company nor any Seller has been or will be subject to tax pursuant to Sections 1374 or 1375 of the Code, including as a result of the transactions contemplated by this Agreement.

2.21 Insurance. The Company maintains insurance policies of a type and in an amount necessary to conduct its business on the Effective Date. All insurance policies are listed on Schedule 2.21. All such policies are in full force and effect, and all premiums due and payable thereon have been paid in full as and when due. Schedule 2.21 contains a list of all pending claims under such insurance policies, and any claims under such insurance policies as to which the insurers of such policies have denied coverage.

2.22 Permits, Licenses, Accreditations and Authorizations.

(a) The Company holds, and is in compliance and good standing with, all franchises, bonds, permits, licenses, certificates, accreditations, and authorizations, and any similar authority necessary or advisable for the conduct of its business or contemplated business (collectively, "**Licenses**"), including, without limitation the Operating Licenses. All such Licenses, along with their respective identifying numbers, if any, are listed in Schedule 2.22 and are valid and in full force and effect, and as of the Effective Date, the Company is not delinquent in the payment of fees or taxes associated therewith. The Company has made available to Purchaser true, correct and complete copies of the Company's Licenses, including all applications, proposed changes and amendments, renewals, documentation and correspondence received from any Governmental Authority relating to such Licenses.

(b) The Company has not received any notice of material violation in respect of any Licenses so identified, including but not limited to any citations for illegal activity or criminal conduct (whether by the Company or any Seller), and no investigation or proceeding is pending or, to the Company's Knowledge, threatened, that would reasonably be expected to result in the suspension, revocation, non-renewal or limitation or restriction of any such License. To the Company's Knowledge, there are no circumstances (now existing or reasonably anticipated) that, with or without the passage of time, would cause the Company to be in default under any License, or cause the suspension, revocation, non-renewal or any limitation or restriction of any such License. Except as listed in Schedule 2.22, during the period beginning on the date of issuance of the final Operating License and ending on the first business day before the Effective Date, the Company (i) has not received any statement of deficiency or other notice from any Governmental Authority regarding non-compliance with Law and (ii) has not issued, or is otherwise a party to, any plans of correction. To the Company's Knowledge, there are no disciplinary actions pending against the Company with Clark County or the Department, and the Company has timely

responded to any deficiencies issued by Clark County or the Department that were received by the Company at least one business day prior to the Effective Date.

(c) To the Company's Knowledge, neither the execution of this Agreement nor the consummation of the transactions contemplated herein will impair or result in the cancellation, suspension, revocation, forfeiture, or nonrenewal of any of the Company's Licenses.

(d) The Company's inventory control system (as defined in Nevada Revised Statutes 453A.108) is up-to-date and accurate, and all required reporting to any Governmental Authority or the State of the Nevada is current and accurate.

(e) The Company has made commercially reasonable efforts to make available to Purchaser or its counsel, directly or through authorized access to the Company's regulatory counsel, true and correct copies of all (i) marijuana certificate/licensee incident reports involving the Company, (ii) marijuana distributor temporary storage notices involving the Company, (iii) approved advertising of the Company; and (iv) requests for advertising approval that have been made to Clark County and/or the Department and have been rejected or have not yet been approved. To the Company's Knowledge, (A) there are no pending deficiencies before the Department concerning advertisements made by the Company, and (B) there are no circumstances (now existing or reasonably anticipated) that, with or without the passage of time, require the filing of any incident report or temporary storage notice. To the Company's Knowledge, there are no pending deficiencies before the Department concerning social media posts made by the Company.

2.23 Environmental and Safety Laws. Except as set forth on Schedule 2.23, and subject to the Federal Exception, (a) the Company is and has been in compliance with all Environmental Laws; (b) the Company is not the subject of any written decree, order, complaint, notice, citation or other communication relating to any actual, alleged, or potential violation of or failure to comply with any Environmental Law, nor is the Company subject to any actual or potential Liability under or pursuant to any Environmental Law; (c) there are no pending or, to the Company's Knowledge, threatened claims or encumbrances resulting from any Liability arising under or pursuant to any Environmental Law, with respect to or affecting any Real Property Leases or any asset currently or previously owned, leased or otherwise used by the Company; (d) there has been no release or, to the Company's Knowledge, threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof (each a "**Hazardous Substance**"), on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (e) the Company has not treated, stored, recycled or disposed of any Hazardous Substances on any property that is the subject of a Real Property Lease or any real property currently or formerly owned, used or leased by the Company in a manner not in compliance with the Environmental Laws, and to the Company's Knowledge, no other Person has treated, stored, recycled or disposed of any Hazardous Substance on any part of any property that is the subject of a Real Property Lease or any real property owned, used or leased by the Company; (f) the Company has not released and to the Knowledge of the Company, there has been no release by any Person of, any Hazardous Substance at, on or under any property that is the subject of a Real Property Lease; (g) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any Governmental Authority; (h) the Company has not entered into any agreement

with any Person regarding any Environmental Law, remedial action or other environmental Liability or expense; and (i) there are no underground storage tanks or landfills, surface impoundments or disposal areas located on, no polychlorinated biphenyls ("**PCBs**") or PCB-containing equipment used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. The Company has made available to Purchaser true and complete copies of all material environmental records, analyses, tests, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies and environmental studies or assessments, in each case related to the property that is the subject of each Real Property Lease.

2.24 Brokers and Finders. Neither the Company nor any Seller has any liability or obligation to pay any fees or commissions to any investment banker, broker, finder or agent with respect to the transactions contemplated by this Agreement.

2.25 Compliance with Laws Generally. Except as set forth in Schedule 2.25, the Company is not in violation in any material respect of any applicable statute, rule, regulation, order or restriction of any domestic or foreign government or any instrumentality or agency thereof in respect of the conduct of its business as presently conducted or proposed to be conducted or the ownership of its properties, with the exception of the Federal Exception.

2.26 Disclosure. The Company and Sellers have made available to Purchaser all the information reasonably available to the Company and Sellers that Purchaser has requested for deciding whether to acquire the Purchased Interest, including certain of the Company's tax returns and financial statements, true and complete copies of all documents referenced in the Disclosure Schedule and certain of the Company's projections describing its proposed business plan (the "**Business Plan**"). No representation or warranty of the Company or Sellers contained in this Agreement, as qualified by the Disclosure Schedule, and no certificate furnished or to be furnished to Purchaser at the Closing contains any untrue statement of a material fact or, to the Knowledge of the Company, omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. The Business Plan was prepared in good faith; however, the Company does not warrant that it will achieve any results projected in the Business Plan.

2.27 Sellers' Advisors. Each Seller acknowledges that such Seller and its attorneys, accountants, advisors, representatives and/or Tax advisors, if any (collectively, the "**Seller's Advisors**"), as the case may be, have such Knowledge and experience in financial, Tax, and business matters, and, in particular, investments in securities, so as to enable them to utilize the information made available to them in connection with the transactions to evaluate the merits and risks of transactions contemplated in this Agreement and to make an informed decision with respect thereto. Each Seller has sought such accounting, legal and Tax advice as such Seller has considered necessary to make an informed decision with respect to transactions contemplated by this Agreement and the other Transaction Agreements.

2.28 Related Party Transactions. Except as disclosed in Schedule 2.28, and except for employment relationships and compensation, benefits, travel advances and employee loans in the ordinary course of business to any officer, director or employee of the Company, there

is no contract or Liability relating to the Company between (a) the Company on the one hand and (b) any equity holder, option holder, officer, member, partner or director of the Company or any Affiliate of a Seller (other than the Company), on the other hand. None of the Persons referred to in clauses (a) or (b) or any Family Member of the foregoing Persons possesses, directly or indirectly, any financial interest in or is a director, officer, manager or employee of any Person which is a client, supplier, customer, lessor, lessee, financial source or competitor or a potential competitor of the Company or its business or has any other commercial or business relationship with the Company. Ownership of securities of a company whose securities are registered under the Securities Exchange Act of 1934, as amended, of two percent (2%) or less of any class of such securities shall not be deemed to be a financial interest for purposes of this Section 2.28.

3. Representations and Warranties of Purchaser and Parent. Purchaser and Parent, jointly and severally, hereby represent and warrant to Sellers that:

3.1 Existence and Qualification. Purchaser is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Nevada, Parent is a corporation duly organized, validly existing and in good standing under the Laws of the Province of Ontario, Canada, and each has the requisite power to own, manage, lease and hold its properties and to carry on its business as and where such properties are presently located and such business is presently conducted. Purchaser is duly qualified to do business and is in good standing in Nevada and in each other jurisdiction where the character of its properties or the nature of its business requires it to be so qualified. Parent is duly qualified to do business and is in good standing in each jurisdiction where the character of its properties or the nature of its business requires it to be so qualified, except where the failure to be so qualified would not reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect.

3.2 Authorization. Each of Purchaser and Parent has full power and authority to enter into the Transaction Agreements. The Transaction Agreements to which each of Purchaser and Parent is a party, when executed and delivered by such Party, will constitute valid and legally binding obligations of Purchaser and Parent, as applicable, enforceable in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other Laws of general application affecting enforcement of creditors' rights generally, and as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

3.3 Litigation. There is no Legal Proceeding pending or, to Purchaser's or Parent's Knowledge, currently threatened before any Governmental Authority (a) against Purchaser or Parent; (b) against any officer, manager, director or key employee of Purchaser or Parent that is related to Purchaser or Parent; (c) that questions the validity of the Transaction Agreements or the right of Purchaser or Parent to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; (d) to Purchaser's or Parent's Knowledge, that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; (e) against any Person with respect to the Licenses that Purchaser will be required to obtain following the Closing to own and operate the Company and its business as currently conducted and as presently proposed to be conducted (the "**Purchaser Licenses**") or (f) seeking to restrain Purchaser or Parent or prohibit Purchaser's or Parent's entry into this Agreement or prohibit the Closing, or seeking damages against Purchaser or Parent or either of

their properties as a result of Purchaser's or Parent's entry into this Agreement or the consummation of the transactions contemplated hereby.

3.4 Financial Sufficiency. Purchaser possesses or will possess sufficient cash or cash equivalent funds to enable Purchaser to pay or issue, as applicable, when due each of (a) the Deposit, (b) the Closing Cash Purchase Price, (c) all payments due under the Note, (d)(i) the issuance of the Parent Consideration Shares or (ii) the payment of the Parent Share Purchase Price and (e) Purchaser's Transaction Expenses.

3.5 Parent Shares. The Parent Consideration Shares to be allotted and issued pursuant to the transactions contemplated hereby, if and when issued, will be duly authorized, and when such shares of Parent are issued in accordance with the terms hereof, will be nonassessable and validly issued and credited as fully paid up, and will be issued in compliance with all applicable Laws, free and clear of any Liens and any rights of first refusal, rights of first offer, preemptive rights or similar rights.

4. Conditions to Purchaser's Obligations at Closing. The obligations of Purchaser to purchase the Closing Purchased Interest at the Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived in writing by Purchaser:

4.1 Representations and Warranties. The representations and warranties of the Company and Sellers contained in Section 2 shall be true and correct in all respects as of such Closing.

4.2 Performance. The Company and Sellers shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company and Sellers on or before such Closing.

4.3 Material Adverse Effect. There shall not have occurred a Material Adverse Effect since the Effective Date.

4.4 No Proceedings or Injunctions. There shall be no action, suit, claim, order, or Legal Proceeding pending or threatened in writing, or injunction granted, against any Seller or the Company, their respective properties or any of their respective officers, directors, managers or subsidiaries, restraining or prohibiting the sale of the Purchased Interest or the other transactions contemplated by the terms of this Agreement.

4.5 Qualifications.

(a) All authorizations, approvals or permits, of any Governmental Authority or of any state that are required in connection with transactions contemplated by this Agreement, including, without limitation, the Consents, shall have been obtained by the Approval Deadline and shall remain effective as of the Closing.

(b) Purchaser (and to the extent required, its principal(s)) shall have received, prior to the Approval Deadline, notice from the applicable Government Authority(ies) that it/they passed the Background Check.

4.6 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to Purchaser, and Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates.

4.7 Due Diligence. The Due Diligence Confirmation Period has expired and Purchaser has confirmed in writing to Representative that Purchaser has completed to its full and absolute satisfaction its due diligence review of the Company.

4.8 Closing Deliverables of the Company and Sellers. At or before the Closing, the Company, Representative, and/or Sellers, as applicable, shall duly execute (where appropriate) and deliver to Purchaser the following, which shall be deemed to be executed simultaneously with the Closing:

(a) a validly executed Membership Interest Assignment from each Seller in favor of Purchaser with respect to the Closing Purchased Interest;

(b) the Amended and Restated Operating Agreement pursuant to Section 7.2 of this Agreement, executed by each Seller;

(c) a Security Agreement, executed by Representative;

(d) a Restrictive Covenant and General Release Agreement, executed by Andrew Jolley, Stephen Byrne, and Patrick Byrne;

(e) a Landlord Estoppel Certificate for each of the Real Property Leases, in a form reasonably acceptable to Purchaser, executed by the applicable landlord under each Real Property Lease;

(f) evidence of receipt of all Consents to consummate the transactions contemplated hereby, each in form and substance reasonably acceptable to Purchaser;

(g) a certificate executed by the manager of the Company, dated as of the Closing Date, certifying as to (i) the incumbency of the officers or other representatives of the Company executing the Transaction Agreements, and (ii) copies of the Company's Articles of Organization, as amended, certified by the Secretary of State of the State of Nevada;

(h) a certificate executed by the secretary or another officer of each Seller that is an entity, dated as of the Closing Date, certifying as to (i) the incumbency of the officers or other representatives of such Sellers executing the Transaction Agreements, and (ii) copies of such Seller's Articles of Organization and governing documents, as amended and in effect on the Closing Date;

(i) a certificate validly executed by Representative on Sellers' and the Company's behalf, to the effect that, as of the Closing, the conditions to the obligations of Purchaser set forth in Section 4.1; Section 4.2, Section 4.3 and Section 4.4 have been satisfied (unless otherwise waived in accordance with the terms hereof);

(j) An affidavit described in Section 1445(b)(2) of the Code in form and substance reasonably acceptable to Purchaser;

(k) a waiver of each Seller's and the Company's right of first refusal under the Company's operating agreement in effect prior to Closing;

(l) a Termination and Release Agreement, in a form reasonably satisfactory to Purchaser, terminating all profit interest and profit sharing arrangements related to the Company;

(m) Amendments to all Real Property Leases, duly executed by the parties thereto and in a form reasonably satisfactory to Purchaser;

(n) a Release Agreement with Darren Petersen, in a form reasonably acceptable to Purchaser, pursuant to which Darren Petersen shall, at a minimum, release the Company from any obligation to him under that certain Settlement Agreement dated as of October 28, 2015;

(o) an employment agreement between the Company and Andrew Jolley, in a form mutually agreed upon by Purchaser and Representative, providing for the continued employment of Andrew Jolley with the Company (the "**Employment Agreement**");

(p) a duly executed shared services agreement between Henderson Organic Remedies LLC ("**HOR**") and the Company, reasonably satisfactory to Purchaser, setting forth the coordination of operations and/or services between HOR and the Company following the Closing (the "**Shared Services Agreement**");

(q) a duly executed bill(s) of sale between the Company, on the one hand, and any third party or Affiliate of any Seller, on the other hand, providing for the transfer to the Company of any Outside Assets, each in a form reasonably satisfactory to Purchaser; and

(r) such other documents and/or instruments as may be reasonably requested by Purchaser, in form and substance reasonably acceptable to Purchaser.

4.9 Business Combination. For the avoidance of doubt, the consummation of the Business Combination is not and shall not be a condition to any of Purchaser's obligations under this Agreement, and the full Purchase Price will be paid by Purchaser to Sellers, subject to and in accordance with the terms of this Agreement, regardless of whether the Business Combination is consummated.

5. Conditions to Sellers' Obligations at Closing. The obligation of Sellers to sell the Closing Purchased Interest to Purchaser at the Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived by Representative:

5.1 Representations and Warranties. The representations and warranties of Purchaser contained in Section 3 of this Agreement shall be true and correct in all respects as of such Closing.

5.2 No Injunctions. There shall be no action, suit, claim, order, or Legal Proceeding pending or threatened in writing, or injunction granted, against any Seller, the

Company or Purchaser, their respective properties or any of their respective officers, directors, managers, members or subsidiaries, restraining or prohibiting the sale of the Purchased Interest or the other transactions contemplated by the terms of this Agreement.

5.3 Performance. Purchaser shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by Purchaser on or before such Closing.

5.4 Qualifications.

(a) All authorizations, approvals or permits, of any Governmental Authority or of any state that are required in connection with transactions contemplated by this Agreement, including, without limitation, the Government Consents, shall have been obtained by the Approval Deadline and shall remain effective as of the Closing. For the avoidance of doubt, the approval of the Business Combination by any Governmental Authority shall not be a condition to Sellers' obligations under this Agreement.

(b) Purchaser (and to the extent required, its principal(s)) shall have received, prior to the Approval Deadline, notice from the applicable Government Authority(ies) that it/they passed the Background Check.

5.5 Closing Deliverables of Purchaser. At the Closing, Purchaser shall duly execute (where appropriate) and deliver to the Representative the following, which shall be deemed to be executed simultaneously with the Closing:

(a) the Note, executed by Purchaser;

(b) a counterpart to the Security Agreement, executed by Purchaser;

(c) a counterpart to the Amended and Restated Operating Agreement of the Company, executed by Purchaser;

(d) a certificate validly executed by an officer of Purchaser, to the effect that, as of the Closing, the conditions to the obligations of the Sellers set forth in Section 5.1, Section 5.2, and Section 5.3 (solely with respect to Purchaser) have been satisfied (unless otherwise waived in accordance with the terms hereof); and

(e) a certificate executed by the secretary or another officer of Purchaser, dated as of the Closing Date, certifying as to (i) the incumbency of the officers of Purchaser executing the Transaction Agreements, and (ii) copies of Purchaser's Certificate of Formation and governing documents, as amended and in effect on the Closing Date.

6. Pre-Closing Covenants and Other Agreements.

6.1 Government Consents. From and after the Effective Date of this Agreement, the Company and Sellers shall promptly and diligently prepare, file (after review and approval thereof by Purchaser) and pursue any and all applications, registrations, qualifications, designations, declarations or other filings which, in the opinion of Purchaser, are required for

Purchaser and/or the Company to receive all necessary or advisable consents, approvals, orders or authorizations of, or to otherwise comply with the Laws of any Governmental Authority (collectively, "**Government Consents**") with respect to the transactions contemplated by this Agreement, including, but without limitation, Purchaser's acquisition of the ownership interest in the Company and, consequently, its Licenses.

6.2 Background Screening. As soon as reasonably practicable, and in no event later than July 16, 2018, Purchaser shall (and to the extent required, shall cause its owners, officers and board members to) submit to a background check in accordance with Nev. Rev. Stat., Chapters 453A and 453D (the "**Background Check**").

6.3 Responses to Supplemental Due Diligence Requests; Disclosure Schedules. During the Due Diligence Confirmation Period, Representative and the Company shall promptly respond to all supplemental due diligence requests communicated by Purchaser or its counsel in writing. No later than the Effective Date, all Disclosure Schedules of the Company and Sellers shall be delivered by Representative to Purchaser in a form satisfactory to Purchaser, which Disclosure Schedules shall be true and correct as of the Effective Date, the date of delivery, and the Closing Date.

6.4 Negative Covenants of the Company. Notwithstanding anything else in this Agreement to the contrary, between the Effective Date and the Closing Date (the "**Pre-Closing Period**"), the Company shall not (and Sellers shall not permit or cause the Company to) do any of the following acts without the prior written consent of Purchaser in its sole discretion:

(a) enter into any debt financing or other loan transaction, whether as a debtor, creditor, guarantor or otherwise;

(b) take any action that would result in the imposition of a Lien on any of the Company's assets;

(c) propose, authorize, enter into, ratify, amend or modify, any agreement, understanding, instrument, contract or proposed transaction, or any group or related agreements, understandings, instruments, contracts or proposed transactions, (i) with respect to any service provider or (ii) that involve (individually or in the aggregate, contingent or otherwise) obligations of, or payments to, the Company (x) in excess of $10,000 annually or over the lifetime of such agreement, understanding, instrument, contract or proposed transaction, except in the ordinary course of business (an "**Ordinary Course Payment**"); provided, that in the event the Company makes any Ordinary Course Payment, the Company shall provide notice to Purchaser of such Ordinary Course Payment or (y) are outside the ordinary course of business;

(d) enter into any cannabis service provider contracts;

(e) issue any membership interests in the Company (or any options, warrants or other securities, including securities exercisable, exchangeable or convertible into membership interests);

(f) alter or change the rights, preferences or privileges of Company's membership interests;

(g) increase or decrease the number of authorized securities of the Company;

(h) redeem or repurchase any membership interests;

(i) amend the Company's Articles of Organization or operating agreement;

(j) take any action that would restrict, inhibit or adversely affect the ability of the Company to: (i) conduct its business as presently conducted or presently proposed to be conducted, or (ii) perform all of its duties and obligations under this Agreement, or (iii) truthfully make any of the representations and warranties set forth in Section 2 as of the Closing;

(k) approve or cause the Company to engage in any consolidation, exchange or merger of the Company with or into any other Person, or any other corporate reorganization;

(l) sell, lease or otherwise dispose of any of the assets of the Company, other than inventory in the ordinary course of business;

(m) make or agree to make any capital expenditures or incur any Liabilities that (i) exceed $10,000 in the aggregate, except in the ordinary course of business (an "**Ordinary Course Expenditure or Liability**"); provided, that in the event the Company makes or incurs any Ordinary Course Expenditure or Liability, the Company shall provide notice to Purchaser of such Ordinary Course Expenditure or Liability, or (ii) are outside the ordinary course of business;

(n) approve, file, consent to or acquiesce in the filing of any bankruptcy or bankruptcy action by the Company, or any assignment for the benefit of the Company's creditors;

(o) authorize or enter into any agreement, transaction or other arrangement between the Company, on one hand, and any member, manager, officer, or Affiliate of the Company, or any family member or Affiliate of any of the foregoing Persons, on the other hand;

(p) declare or make any distributions to the members of the Company, except in accordance with Section 2.17(n);

(q) enter into, approve or amend any employment or consulting agreements;

(r) make any material change to its accounting methods, principals, or practices, except as required by GAAP;

(s) change the Company's ordinary course of cash management practices with respect to the collection of Receivables and payment of payables and other current Liabilities;

(t) adopt any Employee Benefit Plan;

(u) except for normal and customary wages and salaries in the ordinary course of business, pay or approve any compensation or reimbursements payable to any members, managers, Affiliates or officers of the Company;

(v) authorize or grant any profits interests or other equity compensation to any Person;

(w) change the number of managers of the Company;

(x) approve a name change or conversion of the Company's corporate status;

(y) make or change any material Tax election, adopt or change any Tax accounting method, enter into any closing agreement in respect of Taxes, settle any Tax claim or assessment, consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment, or amend any Tax Return unless a copy of such amendment has been made available for review a reasonable time prior to filing and Purchaser has approved such amendment;

(z) take any action that would restrict, inhibit or adversely affect the Company's ability to maintain in good standing the Surety Bonds, irrevocable letter of credit payable, or cash set aside on behalf of Company in connection with the Licenses as required by and pursuant to Law;

(aa) approve or permit Sellers to sell or otherwise transfer, directly or indirectly, any of its membership interests in the Company, or recognize any such sale or transfer as valid, or recognize any transferee in such sale or transfer as a member of the Company;

(bb) require or accept, directly or indirectly, any capital contributions from the members or any other Person;

(cc) dissolve;

(dd) form any subsidiary or joint venture of the Company; or

(ee) request the approval of the Department or Clark County for any amendments or modifications to its current license and previously approved license application, key personnel, or any other amendment or modification to its grant of cultivation authority, including contracts or licenses for products, services or assistance with the cultivation, processing and/or dispensing of marijuana.

6.5 Affirmative Obligations of the Company. Except as required by the terms of this Agreement or as approved by the prior written consent of Purchaser in its sole discretion, at all time during the Pre-Closing Period, the Company will (i) conduct its business only in the ordinary course of business consistent with past practice, (ii) use its commercially reasonable efforts to maintain and preserve its business organization, keep available the services of its current officers, employees, managers, contractors, agents and advisors, and preserve its business relationships with customers, strategic partners, suppliers, distributors, landlords, creditors and others having business dealings with it, and (iii) to the extent reasonably requested by Purchaser, use commercially reasonable efforts to make its executives, managers and employees available in accordance with Section 6.7 of this Agreement.

6.6 Surety Bond. The Company shall (and Sellers shall cause the Company to) continue to maintain in good standing any and all Surety Bonds, irrevocable letters of credit

payable, or set asides of cash on behalf of Company, in connection with the Licenses as required by and pursuant to Law.

6.7 Due Diligence Assistance. During the Pre-Closing Period, the Company and Representative agree to promptly provide Purchaser and Purchaser's Advisors (a) all such documentation and information and answer all questions that Purchaser or Purchaser's Advisors may reasonably request regarding the Company and Sellers (including, without limitation, regarding its Licenses) to enable Purchaser and Purchaser's Advisors to continue evaluating the suitability and desirability of consummating the transactions contemplated by this Agreement and (b) upon reasonable advance notice from Purchaser, afford Purchaser and its directors, officers, employees, agents, consultants and reasonable access during normal business hours to all of its properties, Books and Records, contracts and personnel as Purchaser may reasonably request. Without limiting the generality of the foregoing, the Company and Representative shall promptly and diligently provide Purchaser with documents, information and answers to questions regarding (i) the validity of the Company's Licenses, (ii) the existence of any deficiencies or Liens with respect to the Licenses, (iii) the Company's application for, and litigation with respect to, the Licenses, (iv) the suitability of any real estate upon which the Company conducts or proposes to conduct its business, including, without limitation, the conformance and compliance of such real estate with all applicable state and local Laws, rules, ordinances, codes and regulations.

6.8 Company Meetings. During the Pre-Closing Period, the Company shall invite Purchaser (or its designee(s)) to participate in all meetings of the Company, its members and managers, and the Company shall provide Purchaser (and its designee(s)) with all documentation the Company provides to its members and managers in connection with any such meeting; provided, however, that Purchaser and its designee(s) shall be required to maintain any such documentation or information disclosed at such meetings in confidence, unless required to be disclosed by law or as otherwise needed to its representatives or legal, accounting or other professionals in connection with this transaction. Notwithstanding the foregoing, the Company has the right to withhold any documentation or information and to exclude Purchaser and its designee(s) from any meeting or portion thereof if the Company reasonably determines in good faith that access to such documentation or information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel; provided, however, that no binding decisions that have a Material Adverse Effect shall be made with respect to the Company in any meeting or portion thereof which excludes Purchaser or its designee(s).

6.9 No Other Negotiations. During the Pre-Closing Period, no Party, directly or indirectly, shall pursue, solicit, entertain or otherwise consider or encourage (including by way of furnishing information) any offers, inquiries or negotiations with third parties to enter into any transaction which concerns the subject matter of this Agreement, including without limitation, the purchase and sale of any License, the assets of the Company (except in the ordinary course of business consistent with past practice), or the purchase and sale of any ownership interest in the Company or any Seller, other than Purchaser's purchase of the Purchased Interest pursuant to this Agreement.

6.10 Regulatory Counsel. The Parties acknowledge and agree that, following the Closing, Purchaser, as the owner of the Company, shall have the benefit of the services of Connor & Connor, PLC, in connection with the completion of all in-process or future wholesale

business license applications, including but not limited to the New Applications of the Company, as currently contemplated by the Company and Sellers, in accordance with and subject to the terms of the engagement letter entered into by the Company and Connor & Connor, PLC (the "**Connor Firm**"). Notwithstanding the foregoing, in the event of the termination of this Agreement by any Party prior to Closing for any reason, Purchaser and Parent (i) agree and acknowledge that the Connor Firm shall continue to represent the Company, (ii) any engagement by Purchaser or Parent shall be deemed terminated immediately upon the termination of this Agreement, (iii) consent to the Connor Firm's continued representation of the Company, (iv) covenant and agree not to assert any conflict of interest or any other basis for disqualifying the Connor Firm from continuing to represent the Company and (v) waive any purported conflict of interest related to the Connor Firm's representation of the Company after the termination of this Agreement.

6.11 Audited Financial Statements. The Sellers and the Company shall use commercially reasonable efforts to deliver and/or cause the delivery of audited financial statements of the Company as of and for the years ended December 31, 2016, and December 31, 2017, and reviewed balance sheets and statements of operations of the Company and its business for the six (6) month period ended June 30, 2018, each in accordance with International Federal Reporting Standards (IFRS) (collectively, the "**Audited Financial Statements**"). Purchaser shall select the auditor in connection with the Audited Financial Statements, and shall be solely responsible for the payment and compensation of such auditor.

6.12 Press Release. Representative, on the one hand, and Purchaser, on the other hand, shall (a) reasonably consult with each other before issuing any press release or otherwise making any public statement with respect to the transactions contemplated by this Agreement, (b) provide to the other Party for review a copy of any such press release or public statement, and (c) not issue any such press release or make any such public statement prior to such consultation and review and the receipt of the prior consent of the other party to this Agreement, unless required by applicable Law or regulations of any applicable stock exchange.

7. At-Closing and Post-Closing Covenants and Other Agreements.

7.1 Indemnification. The indemnification provisions in this Section 7.1 shall be in addition to any indemnification provided in Section 7.6 and as otherwise available at Law.

(a) Sellers' Indemnification. Subject to the limitations set forth in this Section 7.1, Andrew Jolley and Stephen Byrne, jointly and severally (the "**J&S Seller Indemnitors**"), and, Patrick Byrne and Harvest Dispensaries, Cultivation, and Kitchen Consultants LLC, severally but not jointly (the "**Several Seller Indemnitors**" and collectively with the J&S Seller Indemnitors, the "**Seller Indemnitors**"), agree to indemnify, defend and hold Purchaser and its respective Affiliates, partners, officers, directors, members, managers, employees and agents (collectively, "**Purchaser Indemnitees**") harmless from and against any and all losses, costs, expenses, judgments, damages and Liabilities (including, without limitation, court costs and reasonable attorneys' fees) (collectively, "**Losses**") arising out of or otherwise associated with:

(i) any breach or inaccuracy of any representation or warranty of the Company or any Seller contained in Section 2 of this Agreement;

(ii) any breach or nonfulfillment of any covenant, agreement or other obligation of the Company or any Seller contained in this Agreement;

(iii) any Pre-Closing Taxes;

(iv) any data or security breaches of the Company occurring prior to the Closing;

(v) that certain litigation captioned as Nevada Organic Remedies LLC adv. Roland Sansone, et al, Clark County District Court, Case No. A-17-760501-C; provided, that the J&S Seller Indemnitors shall have the exclusive right to continue to control the defense and prosecution of such litigation in their sole discretion, and at their sole expense, including any compromise or settlement of such litigation; provided, further that Purchaser, to the extent Purchaser so desires, may participate jointly with the J&S Seller Indemnitors in such litigation at Purchaser's expense; and provided, further, that the J&S Seller Indemnitors shall not settle, or agree to the entry of a final order in, such litigation without the prior written consent of Purchaser, which consent shall not be unreasonably withheld, unless such settlement or final order does not obligate the Company to make any monetary settlement payment or pay any monetary damages, or admit any liability, and includes a full and unconditional release of the Company;

(vi) any action or claim by or on behalf of Seth McCormick or any Affiliate thereof arising out of the disclosure pursuant to Section 2.6;

(vii) any action or claim by or on behalf of Rachel Miller, or any action brought by any Governmental Authority in connection with her employment with and/or separation from the Company; and

(viii) any action or claim by or on behalf of Mallory Gott, or any action brought by any Governmental Authority in connection with her employment with and/or separation from the Company.

(b) Purchaser's Indemnification. Subject to the limitations set forth in this Section 7.1, Purchaser (the "**Purchaser Indemnitor**" and together with the Seller Indemnitors, the "**Indemnifying Party**") agrees to indemnify, defend and hold Sellers, the Company (pre-Closing) and their respective Affiliates (other than the Company post-Closing), partners, officers, directors, members, managers, employees, agents and representatives (collectively, the "**Seller Indemnitees**" and together with the Purchaser Indemnitees, the "**Indemnified Party**") harmless from and against any and all Losses arising out of or otherwise associated with:

(i) any breach or inaccuracy of any representation or warranty of Purchaser contained in Section 3 of this Agreement; and

(ii) any breach or nonfulfillment of any covenant, agreement or other obligation of Purchaser contained in this Agreement.

(c) Survival. All representations and warranties made by each Party in this Agreement and in any certificate delivered in connection herewith shall survive the Closing Date for the Indemnification Period notwithstanding any investigation at any time made by or on behalf

of the other Party; provided, however, that the representations and warranties set forth in Sections 2.1, 2.2(a), 2.2(b), 2.4, 2.20, 3.1 and 3.2 (the "**Fundamental Representations**"), and the representations and warranties set forth in Sections 2.18(i), 2.19, and 2.23 shall survive until the expiration of the Fundamental Rep Indemnification Period. All representations and warranties related to any claim asserted in writing prior to the expiration of the applicable survival period shall survive (but only with respect to such claim) until such claim shall be resolved and payment in respect thereof, if any is owing, shall be made. Notwithstanding anything to the contrary contained herein, any claim for fraud or willful breach shall survive until the expiration of the applicable statute of limitations.

(d) Limitations. Notwithstanding anything to the contrary contained in this Agreement, (i) the Seller Indemnitors shall not have an obligation to indemnify Purchaser Indemnitees pursuant to Section 7.1(a)(i) unless the aggregate amount of Losses incurred by any Purchaser Indemnitees to which such Purchaser Indemnitee(s) has the right to be indemnified under Section 7.1(a)(i) exceeds $100,000 (the "**Basket**") at which point, the J&S Seller Indemnitors, jointly and severally, and the Several Seller Indemnitors, severally but not jointly, shall indemnify the Purchaser Indemnitees for the full amount of all such Losses, subject to the Indemnification Cap and the other limitations set forth herein, (ii) the Purchaser Indemnitors shall have no obligation to indemnify the Seller Indemnitees pursuant to Section 7.1(b)(i) unless the aggregate amount of Losses incurred by any Seller Indemnitee(s) exceeds the Basket, at which point the Purchaser Indemnitors shall indemnify the Seller Indemnitees for the full amount of all such Losses, subject to the Indemnification Cap and the other limitations set forth herein and (iii) the Parties acknowledge that the Basket shall not apply to fraud, willful breaches, or breaches or misrepresentations of the Fundamental Representations, or any indemnification obligations of the Parties (other than as set forth in Sections 7.1(a)(i) and 7.1(b)(i)). The amount of Loss for which the Purchaser Indemnitees shall be entitled to recover under Section 7.1(a)(i), and the Seller Indemnitees shall be entitled to recover under Section 7.1(b)(i) shall not exceed the Indemnification Cap; provided, however, that the Indemnification Cap shall not apply to fraud, willful breaches, or breaches or misrepresentations of the Fundamental Representations, or any indemnification obligations of the Parties (other than as set forth in Sections 7.1(a)(i) and 7.1(b)(i)), which, with the exception of any fraud (which, for the avoidance of doubt, shall not be subject to any such limitation), shall instead be limited to (y) in the case of the J&S Seller Indemnitors, the total Purchase Price actually received by Sellers pursuant to this Agreement; provided, however, that the amount of total Purchase Price actually received by Sellers shall not be (A) reduced, for the purposes this Section 7, by any payments made (or deemed made) by the J&S Seller Indemnitors pursuant to this Section 7.1 and/or Section 7.9 or (B) increased, for the purposes of this Section 7, by any payments made (or deemed made) by the Purchaser Indemnitor pursuant to this Section 7.1, and (z) in the case of each of the Several Seller Indemnitors, the portion of the Purchase Price actually received by such Several Seller Indemnitor; provided, however, the amount of total Purchase Price actually received by any Several Seller Indemnitor shall not be (A) reduced, for the purposes this Section 7, by any payments made (or deemed made) by the J&S Seller Indemnitors pursuant to this Section 7.1 and/or Section 7.9 or (B) increased, for the purposes of this Section 7, by any payments made (or deemed made) by the Purchaser Indemnitor pursuant to this Section 7.1; and provided, further, that nothing in this Section 7 shall create joint and several liability of any Seller Indemnitor under this Agreement not specifically set forth in this Section 7, including with respect to the fraud or willful breach of any Seller.

(e) Procedures for Indemnification.

(i) Any Indemnified Party promptly shall give to the Indemnifying Party a written notice (a "**Claim Notice**"); provided, however, that the failure of any Indemnified Party to give the Claim Notice promptly as required by this Section shall not affect such Indemnified Party's rights under this Section 7.1 except and only to the extent such failure materially prejudices the Indemnifying Party.

(f) After the giving of any Claim Notice pursuant hereto, the amount of indemnification to which an Indemnified Party shall be entitled under this Section 7.1 shall be determined: (i) by this Agreement; (ii) by a final non-appealable determination of a court of competent jurisdiction pursuant to Section 8.15; or (iii) by any other means to which the Indemnified Party and the Indemnifying Party shall agree (a "**Final Determination**"). All amounts due to the Indemnified Party shall be paid by wire transfer within ten (10) business days after such Final Determination, subject to Purchaser's rights under Section 7.9.

(g) An Indemnified Party shall notify the Indemnifying Party in writing, and in reasonable detail, of any Legal Proceeding made by any third Person against the Indemnified Party (a "**Third Party Claim**") promptly after receipt by such Indemnified Party of written notice of the Third Party Claim. Notwithstanding the foregoing, should a party be physically served with a complaint with regard to a Third Party Claim, the Indemnified Party must notify the Indemnifying Party with a copy of the complaint within ten (10) calendar days after receipt thereof and shall deliver a copy of such complaint to the Indemnifying Party within ten (10) calendar days after the receipt of such complaint; provided, however, that the failure of any Indemnified Party to give such notice shall not affect such Indemnified Party's rights under this Section 7.1 except and only to the extent such failure materially prejudices the Indemnifying Party.

(h) In the event of the initiation of any Legal Proceeding with respect to a Third Party Claim (in which the only relief sought is monetary damages), the Indemnifying Party may elect, at its own expense, to be represented by counsel of its choice (reasonably acceptable to the Indemnified Party) and to control and defend such Third Party Claim; provided, that the Indemnifying Party agrees in writing that it is responsible for all Losses in connection therewith (including the fees and expenses incurred by the Indemnified Party prior to the assumption of the Third Party Claim by the Indemnifying Party). The Indemnified Party shall have the right to participate (and to retain legal counsel to participate) in any such defense at its sole cost and expense except in the case where the Indemnified Party shall have reasonably concluded in good faith that representation of both parties by the same counsel would be inappropriate, due to actual or potential differing interests between them, in which case the cost and expenses of counsel to the Indemnified Party shall be paid by the Indemnifying Party. Notwithstanding the foregoing, if an Indemnified Party determines in good faith that there is a reasonable probability that a Third Party Claim may adversely affect it or its Affiliates, the Indemnified Party may, by notice to the Indemnifying Party, assume the exclusive right to defend, compromise, or settle such proceeding. The Parties agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any such legal proceeding, claim or demand. Such cooperation shall include the retention and the provision of records and information that are reasonably relevant to such Third Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The Indemnifying Party shall

not settle, or agree to the entry of a final order in, any such proceeding without the prior written consent of the Indemnified Party unless (i) the sole recourse under such settlement or final order is payment by the Indemnifying Party of monetary damages and (ii) such settlement or final order does not obligate the Indemnified Party to admit any liability and includes a full and unconditional release of the Indemnified Parties.

(i) For purposes of this Section 7.1, for the sole purpose of determining the amount of Losses sustained by an Indemnified Party as a result of, arising out of or in connection with any breach or inaccuracy of a representation or warranty, or any failure by the Company or any Seller Indemnitor to perform or comply with any covenant or agreement applicable to it, in each case that is qualified or limited in scope as to materiality, Material Adverse Effect or similar qualification or limitation, such representation, warranty or covenant shall be deemed to be made without such qualification or limitation (but such qualification or limitation shall be taken into account in determining the existence of any breach, inaccuracy or failure of such representation, warranty, covenant or agreement).

(j) The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its representatives) or by reason of the fact that the Indemnified Party or any of its representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition hereunder.

(k) Any indemnification payment under this Agreement shall be considered an adjustment to the Purchase Price. Subject to Section 7.9 and Section 8.18, if the Closing has occurred, absent fraud or willful misconduct, the sole and exclusive remedy available to a party in the event of a breach by the other party of any warranty, covenant, or other provision of this Agreement, or for any misrepresentation, shall be the indemnification provided for under this Section 7.1.

7.2 Security Agreement; Operating Agreement; Other Closing Documents. Prior to or at the Closing, Purchaser and Representative agree to execute and exchange signed counterparts of the Security Agreement, to be effective as of the Closing Date. Prior to or at the Closing, Purchaser and Sellers agree to execute and exchange signed counterparts of the Amended and Restated Operating Agreement, to be effective as of the Closing Date. At the Closing, Sellers and/or Representative, as applicable, agree to deliver and/or provide all the documents or instruments identified in Section 4.8.

7.3 Post-Closing Employment Matters. From and after the Closing, the Company shall not be required to continue employing any individuals employed by the Company as of the Closing Date, other than Andrew Jolley, which employment shall be subject to the terms of an employment agreement entered into between the Company and Andrew Jolley at Closing.

7.4 Satisfaction of Insider Debt. As of the Closing, all insider debt of the Company (i.e., any loan payable or other Indebtedness owed by the Company to a member, a Seller or any of its respective Affiliates) shall have been satisfied in full at Closing without any obligation or Liability to Purchaser. Sellers and Representative hereby agree to do and perform,

or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the Purchaser may reasonably request in order to carry out the intent and accomplish the purposes of this Section 7.4.

7.5 Retirement of Other Indebtedness. At Closing, Sellers and/or Representative shall cause, on terms and conditions reasonably acceptable to Purchaser, all outstanding Indebtedness of the Company, including, without limitation, any insider debt, to be fully paid-off and retired out of the Purchase Price. Simultaneously with the Closing, the Company shall, or shall have filed, all contracts, instruments, certificates and other documents, in form and substance reasonably satisfactory to Purchaser, that are necessary or appropriate to effect the release of all Liens related to the Indebtedness or otherwise required to be released by Purchaser.

7.6 Surety Bond. Within ninety (90) days following the Closing, Purchaser shall use commercially reasonable good faith efforts to replace any Surety Bonds. To the extent Purchaser is unable to accomplish the foregoing notwithstanding its commercially reasonable good faith efforts, Purchaser hereby agrees to indemnify and hold Sellers, as applicable, harmless from and against any and all Losses arising out of or otherwise associated with Sellers' guarantees of or under any Surety Bonds, but only to the extent that such Losses do not arise out of the negligence, recklessness or intentional acts or omissions of any Seller.

7.7 Tax Returns. Purchaser shall prepare, or cause to be prepared, at the expense of the Company, and shall timely file, or cause to be timely filed, all Tax Returns (including any required purchase price allocation) of or with respect to the Company that are required to be filed after the Closing Date. The Company shall make an election pursuant to Section 754 of the Code. All such Tax Returns for Pre-Closing Tax Periods and Straddle Periods shall be provided to Representative for its review and comment prior to filing. All Pre-Closing Taxes shall be paid by Sellers. All transfer, documentary, sales, use, stamp, value added, goods and services, excise, registration and other similar taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with consummation of the transactions contemplated by this Agreement ("**Transfer Taxes**") shall be borne fifty percent (50%) by Sellers and fifty percent (50%) by Purchaser, regardless of which party is responsible for the payment of such Transfer Taxes. The Party required by applicable Law to do so shall timely prepare, or cause to be prepared, and file, or cause to be filed, all necessary Tax Returns and other documentation with respect to all such Taxes, fees and charges, and if required by Law, the other Party will and will cause its affiliates to, join in the execution of any such Tax Returns and other documentation. Each Party shall cooperate in providing any certificates or other documents required to reduce the Transfer Taxes.

7.8 Parent Shares; Parent Share Purchase Price; Assignment of Remaining Interest; Lock-Up.

(a) Parent shall issue the Parent Consideration Shares to Sellers and/or Sellers' permitted designees, as provided herein and in accordance with the applicable Transaction Agreements, no later than the third business day after Parent is first legally permitted to issue the Parent Consideration Shares under applicable Law following the consummation of the Business Combination (the "**Legal Issuance Date**"); provided, that in the event such third business day after the Legal Issuance Date is after the Share Issuance Kick-Out Date, then in lieu of issuing such

Parent Consideration Shares, Purchaser shall pay to Representative the Parent Share Purchase Price in cash, no later than the Parent Share Purchase Price Payment Deadline. In addition, to the extent there is no Business Combination prior to the Share Issuance Kick-Out Date, then Purchaser shall pay to Representative the Parent Share Purchase Price, in cash, no later than the Parent Share Purchase Price Payment Deadline. For the purpose of this Section 7.8, "Sellers' permitted designees" or "Seller permitted designee" shall mean, individually or in the aggregate, those designees eligible to receive Parent Consideration Shares under applicable Law and fully comply with the terms of this Section 7.8.

(b) Promptly following the later of (i) the date as of which all obligations of Purchaser under the Note have been paid and satisfied and (ii) the date as of which either (A) Parent has issued the Parent Consideration Shares to Sellers and/or Sellers' permitted designees, or (B) Purchaser has paid the Parent Share Purchase Price in lieu of the issuance by Parent of the Parent Consideration Shares, each Seller shall contribute to Purchaser any membership interest in the Company then held by such Seller (each such membership interest, a "**Remaining Interest**") pursuant to a contribution agreement in a form mutually agreed upon by Purchaser and Representative, which contribution agreement shall provide for (1) the contribution of such Remaining Interest free and clear of any and all Liens, and (2) a general release by such Seller of any and all claims against the Company arising under or related to such Seller's ownership of such Remaining Interest (a "**Seller Contribution Agreement**"). For the avoidance of doubt, upon satisfaction of all obligations under the Note and the issuance by Parent to Sellers of the Parent Consideration Shares or the payment by Purchaser of the Parent Share Purchase Price to Representative, subject to the provisions of this Agreement, including but not limited to Section 7.9, each Seller shall contribute to Purchaser such Seller's Remaining Interest, if any, pursuant to a Seller Contribution Agreement.

(c) At or immediately prior to the issuance of any Parent Consideration Shares to Sellers and/or Sellers' permitted designees, if applicable, any Seller or Seller permitted designees receiving Parent Consideration Shares shall execute a Lock-Up Agreement with respect to the Parent Consideration Shares to be issued (it being understood that the issuance of such Parent Shares is contingent on such execution of the Lock-Up Agreement). At the time of issuance of the Parent Consideration Shares, any Seller or Seller permitted designee receiving Parent Consideration Shares represents, warrants and acknowledges that, as of the date of issuance of such Parent Consideration Shares (unless such Seller or Seller permitted designee notifies Purchaser in writing prior to the date of such issuance that such Seller or Seller permitted designee does not comply with such representations and warranties at the time of such issuance, showing evidence of same if requested by Purchaser, in which case Parent Consideration Shares may not be issued to such Seller or Seller permitted designee): (i) the Parent Consideration Shares have not been registered under applicable Law, by reason of a specific exemption from the registration provisions of applicable Law, (ii) the Parent Consideration Shares are "restricted securities" under applicable securities Laws and that, pursuant to these Laws, such Seller or Seller permitted designee must hold the Parent Consideration Shares indefinitely unless they are registered with an applicable Governmental Authority and qualified by all applicable authorities, or an exemption from such registration and qualification requirements is available, (iii) if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Parent Consideration Shares, and on requirements relating to Parent which are outside of such Seller's or Seller

permitted designee's control, and which Parent is under no obligation and may not be able to satisfy, (iv) no public market now exists for the Parent Consideration Shares, and that there is no assurance that a public market will ever exist, (v) such Seller or Seller permitted designee is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act and such Seller and such Seller's Advisors, if any, as the case may be, have had the opportunity to ask questions of and receive satisfactory answers from Parent or any Person acting on behalf of Parent and have such knowledge and experience in financial, tax, and business matters, and, in particular, investments in securities, so as to enable them to utilize the information made available to them in connection with the Parent Consideration Shares to evaluate the merits and risks of the transactions contemplated in this Agreement and to make an informed decision with respect thereto, (vi) such Seller has sought such accounting, legal and Tax advice as such Seller has considered necessary to make an informed decision with respect to such Seller's receipt of the Parent Consideration Shares, (vii) the Parent Consideration Shares were not offered to such Seller by any means of general solicitation or general advertising, (viii) the investment in Parent Consideration Shares is speculative and involves a high degree of risk of loss and such Seller is able to bear the economic risks associated with the issuance of the Parent Consideration Shares to such Seller as contemplated in this Agreement, and at the time of issuance could afford a complete loss of its investment in the Parent Consideration Shares, and (ix) the Parent Consideration Shares issued to such Seller will be acquired for such Seller's own account for investment and not with the view toward resale or distribution, and such Seller does not presently have any reason to anticipate any change in circumstances or other particular occasion or event which would cause such Seller to sell, distribute or assign the Parent Consideration Shares.

7.9 Set-Off. If any Purchaser Indemnitee incurs any Losses pursuant to Section 7.1(a) prior to (i) the issuance of the Parent Consideration Shares or (ii) the payment in full of the Parent Share Purchase Price or the balance under the Note, Purchaser shall have the right, but not the obligation, at its option, to set-off such Losses against any Parent Consideration Shares to be issued to the Seller Indemnitors, the Parent Share Purchase Price to be paid to the Seller Indemnitors, and/or the balance under the Note due to the Seller Indemnitors, subject in each case to the limitations set forth in this Section 7, including the joint and several liability provisions set forth in Section 7.1(a) and Section 7.1(d); provided, however, that, with respect to the Parent Consideration Shares, if the Business Combination fails to occur prior to the Share Issuance Kick-Out Date, such Losses may be offset against the cash to be paid to the Seller Indemnitors for the Parent Share Purchase Price that would otherwise be deliverable to such Seller Indemnitors at such time. Nothing in this Section 7.9 shall limit the rights and/or remedies of any Indemnified Party hereunder; provided, that nothing in this Section 7.9 shall be deemed to expand or modify the rights and obligations of the Indemnified Party or the Indemnifying Party set forth in any other provision of this Section 7.

7.10 Audited Financial Statements. Following the Closing, upon request by Purchaser, Sellers shall use commercially reasonable efforts to assist Purchaser in the completion of the Audited Financial Statements.

8. Miscellaneous.

8.1 Confidentiality. Unless otherwise expressly set forth elsewhere herein, each Party agrees to keep the terms and conditions of this Agreement, and any confidential information

that such Party receives from any other Party hereto as a result of this Agreement, strictly confidential, with only the six (6) following exceptions: (i) as disclosure may be required by Law, regulation or to enforce the terms of this Agreement; (ii) to secure tax, financial or legal advice from a professional tax consultant, financial advisor, accountant, banking officer or attorney; (iii) in the event that a Party sues on this Agreement or otherwise requires this Agreement to defend itself in a lawsuit, that Party may disclose this Agreement to and/or file it with the court; (iv) this Agreement may be disclosed by a Party to its own spouse, members, managers, directors, insurance agents, insurance brokers, insurers, attorneys and advisors who need to know and agree to be bound by the confidentiality provisions herein (with such disclosing Party bearing all Liability for any such disclosure by any such Person); (v) any Party may disclose the existence of this Agreement to any Person, but not its terms; and (vi) this Agreement and any confidential information may otherwise be disclosed to any Person with the written consent of all Parties hereto (as it pertains to this Agreement) and the disclosing Party(ies) (as it pertains to confidential information). In the case of a legal, quasi-legal, agency, or executive investigation or action, each of the Parties agrees to notify the other Parties within a reasonable amount of time (but no later than fourteen (14) days (or fewer days, if warranted under the circumstances)) if they receive notice of an order, request, or action from any Person, court, administrative body, or governmental entity requesting or requiring the production or disclosure of any document or information subject to confidentiality pursuant to this Section 8.1, so that an affected Party may appear and oppose such order, request, or action.

8.2 No Invalidity due to Federal Law. The Parties agree and acknowledge that this Agreement may not be terminated or challenged as illegal by any of them on account of any federal Law that prohibits the cultivation, processing, or sale of marijuana.

8.3 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. This Agreement may not be assigned by any Party except with the prior written consent of the other Parties hereto; provided, however, that Purchaser may assign this Agreement to (i) its Affiliate, so long as Purchaser remains liable for its obligations hereunder, or (ii) SAG, so long as SAG assumes Purchaser's obligations hereunder; provided, that in the event that such assignment impairs the rights of Sellers or Secured Party (as defined in the Security Agreement) under the Note or the Security Agreement, Sellers and Secured Party reserve and shall have the right to proceed against Purchaser, SAG and, if the assignor is not Purchaser, such assignor with respect to Sellers' and Secured Party's rights thereunder. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the Parties hereto or their respective successors and assigns or the indemnified parties in Section 7 any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

8.4 Governing Law. This Agreement shall be governed by the internal Law of the State of Nevada without regard to conflict of Law principles.

8.5 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature) or other commonly recognized transmission method

and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

8.6 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

8.7 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earliest of actual receipt, or (a) personal delivery to the Party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt, in each case to the intended recipient as set forth below:

if to the Company or Sellers:

Andrew M. Jolley
2009 E. Windmill Ln.
Las Vegas, NV 89123
Email: andrew@equisource.com

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

David K. Levine
Harrell Levine P.C.
P.O. Box 10505
San Jose, CA 95157-1505
Facsimile: (408) 351-0208
Email: david@harrell-levine.com

if to Purchaser:

Tod H. Friedman
4300 E. Fifth Avenue
Columbus, OH 43219
Email: tod.friedman@spgroup.com

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

Akerman LLP
Three Brickell City Centre
98 Southeast Seventh Street
Suite 1100
Miami, Florida 33131
Attn: Ari Gerstin
Sean Coyle
Email: Ari.Gerstin@akerman.com

Sean.Coyle@akerman.com

8.8 Tax Liabilities. Each Party shall be solely responsible for reporting and discharging its own Tax liabilities and other obligations that such Party may incur as a result of the Transactions Agreements and the transactions contemplated thereby, except as is expressly provided otherwise in any Transaction Agreement.

8.9 Fees and Expenses. Each Party shall pay its own Transaction Expenses attorneys' fees and expenses incurred in connection with the negotiation, preparation and execution of the Transaction Agreements and the consummation of the transactions contemplated thereby (it being understood that Sellers' and the Company's attorneys' fees and such other expenses in connection with the Transaction Agreements shall be paid separately by Sellers or by Representative at Closing out of the Closing Cash Purchase Price, as determined by the Company); provided, however, that Purchaser, on the one hand, and Sellers, on the other hand, shall be equally responsible for the costs and expenses associated with the Escrow Agreement contemplated by Section 1.2(b).

8.10 Attorneys' Fees. In any proceeding arising out of or relating to the Transaction Agreements, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, costs and necessary disbursements from the losing Party(ies).

8.11 Amendments and Waivers. This Agreement may be amended or terminated, and any provision hereof may be waived, only with the written consent of all the Parties. Any purported amendment or waiver effected in violation of this Section 8.11 shall be void and no effect.

8.12 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision; provided, that no severance shall be effective if it materially changes the economic benefit of this Agreement to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate, in good faith, a legal, valid and enforceable substitute provision which most nearly effects, to the extent possible, the same economic, business or other purposes of the invalid, illegal or unenforceable provision.

8.13 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any Party under this Agreement, upon any breach or default of any other Party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by Law or otherwise afforded to any Party, shall be cumulative and not alternative.

8.14 Entire Agreement. This Agreement (including the Exhibits hereto) and the other Transaction Agreements, if any, constitute the full and entire understanding and agreement between the Parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the Parties, including that certain Term Sheet dated June 14, 2018 executed on behalf of Purchaser and Parent, on the one hand, and the Company, on the other hand, are expressly canceled.

8.15 Dispute Resolution. The Parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state and federal courts located in Las Vegas, Nevada (the "**Exclusive Venue**") for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the Exclusive Venue, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court; provided, however, notwithstanding the foregoing, any dispute arising under the Note shall be submitted to binding arbitration in accordance with the terms set forth therein.

8.16 Waiver of Jury Trial: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING FRAUD IN THE INDUCEMENT AND NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

8.17 No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rules of strict construction will be applied against any Party.

8.18 Remedies. Subject to Section 8.19, in addition to being entitled to exercise all rights provided herein or granted by Law, including recovery of damages, the Parties will be entitled to specific performance under this Agreement. Subject to Section 8.19, the Parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of this Agreement and hereby agree to waive in any action for specific performance of any such obligation the defense that a remedy at Law would be adequate.

8.19 Termination.

(a) Right of Termination. This Agreement (and the transactions contemplated herein) may be terminated prior to or at Closing only:

(i) by mutual written consent of Representative and Purchaser;

(ii) by Purchaser, as follows:

(A) if the Company, Representative or any Seller has breached, or failed to perform or satisfy, any of their representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform or satisfy (if capable of being cured) is not cured within ten (10) days after Purchaser has provided notice in writing of its intention to terminate this Agreement pursuant to this Section 8.19(a)(ii)(A);

(B) if the Government Consents, as set forth in Section 6.1 of this Agreement and Schedule 2.5 of the Disclosure Schedule, are not acquired prior to the Approval Deadline;

(C) if Purchaser (or any of its owners, officers, board members and managers, as applicable) fails to pass the Background Check prior to the Approval Deadline;

(D) subject to Section 8.2, if any Governmental Authority has enacted, promulgated, issued or enforced any statute, rule, regulation, decree, administrative action, order, injunction or restraint having the effect of: making the operations of the Company's business after Closing illegal; temporarily or permanently suspending, revoking or refusing to renew or materially restricting or limiting any of the Company's Licenses, or preventing the consummation of this transaction;

(E) without limitation to Purchaser's rights under Section 8.19(a)(ii)(A), for any reason whatsoever prior to the expiration of the Due Diligence Confirmation Period, upon written notice to the other Parties hereto; or

(F) for any reason whatsoever other than those specified in the foregoing subparts (A) through (E), upon written notice to the other Parties hereto.

(iii) by Representative, as follows:

(A) if Purchaser has breached, or failed to perform or satisfy, any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform or satisfy (if capable of being cured) is not cured within ten (10) days after Representative has provided notice in writing of its intention to terminate this Agreement pursuant to this Section 8.19(a)(iii)(A);

(B) if the Government Consents, as set forth in Section 6.1 of this Agreement and Schedule 2.5 of the Disclosure Schedule, are not acquired by Purchaser prior to the Approval Deadline; or

(C) if Purchaser has failed to submit the ownership transfer request and related documents and items, including the Background Check materials, to the Connor Firm by 5:00 p.m. Pacific time on July 16, 2018.

(iv) prior to the expiration of the Due Diligence Confirmation Period, by either Purchaser or Representative in the event that either Purchaser or Representative determines, in its reasonable discretion, that the form of any document referred to herein with a requirement that it be in a form mutually agreed upon by Purchaser and the Representative, or any Exhibit to this Agreement, other than Exhibits A, F, or J (which Exhibits are attached to this Agreement), is unacceptable.

(b) Effect of Termination. Any valid termination of this Agreement pursuant to Section 8.19(a) will be effective immediately upon the delivery of written notice by the terminating Party to the other Parties, except for the mutual written consent of Representative and Purchaser as provided in Section 8.19(a)(i). If this Agreement is terminated pursuant to Section 8.19(a), then except as otherwise provided herein, Section 8 (Miscellaneous) and this Section 8.19(b) which shall remain in full force and effect and survive any termination of this Agreement and the Transaction Agreements, all further obligations of the Parties under this Agreement and the Transaction Agreements will terminate and become void and of no further force or effect, and there shall be no further Liability or obligation on the part of any Party under this Agreement or the Transaction Agreements; provided, however:

(i) if this Agreement is terminated by Purchaser pursuant to Section 8.19(a)(ii)(A) or by Representative pursuant to Section 8.19(a)(iii)(A), then the terminating Party's right to pursue all remedies will survive such termination unimpaired and such terminating Party may seek any and all remedies available to it under this Agreement and the other Transaction Agreements, in Law, equity or otherwise, including, without limitation, for damages and specific performance; provided, that Purchaser's sole Liability or damages in connection with any such breach by Purchaser which resulted in such termination (and the related termination thereof) shall not, in any event, exceed the amount of the Deposit, in the aggregate, and which shall, notwithstanding any provisions contained herein to the contrary, be the sole and exclusive remedy of the Company, Sellers and any of their respective Affiliates, members, managers, partners, shareholders, directors, representatives (including Representative) and/or assignees (with no further liability on the part of the Purchaser or any of its Affiliates) in respect of this Agreement or any Transaction Agreement and the transactions contemplated hereby or thereby or any matters forming the basis of such termination; and provided, further that the Company's and Sellers' sole Liability for damages in connection with any such breach by the Company or Sellers which resulted in such termination (and the related termination thereof) shall not exceed $2,000,000 plus any Deposit amount received by Sellers, in the aggregate, and which shall, notwithstanding any provisions contained herein to the contrary, be the sole and exclusive remedy of Purchaser, Parent and any of their respective Affiliates, members, managers, partners, shareholders, directors, representatives (including Representative) and/or assignees (with no further liability on the part of the Company, Sellers or any of their Affiliates) in respect of this Agreement or any Transaction Agreement and the transactions contemplated hereby or thereby or any matters forming the basis of such termination. For the avoidance of doubt, if the Deposit has been delivered to Representative, and this Agreement is terminated for any reason, neither Purchaser nor any of its Affiliates shall have any further Liability to Company, Sellers and any of their respective

Affiliates, members, managers, partners, shareholders, directors, representatives (including Representative) and/or assignees.

(ii) if, prior to the expiration of the Due Diligence Confirmation Period, this Agreement is terminated pursuant to Section 8.19(a)(i) or by Purchaser pursuant to Section 8.19(a)(ii), provided any Purchaser termination under Section 8.19(a)(ii)(F) does not meet all of the Breakup Fee Requirements (as defined below), Purchaser shall be entitled to immediately receive a refund of the Deposit paid to the Escrow Agent;

(iii) if, following the expiration of the Due Diligence Confirmation Period, this Agreement is terminated by (a) Purchaser pursuant to 8.19(a)(ii)(A), (B), (C), or (D); provided that in the case of (B) or (C), the Breakup Fee Requirements have not been met, or (b) Representative pursuant to Section 8.19(a)(iii)(B); provided that the Breakup Fee Requirements have not been met, Purchaser shall be entitled to immediately receive a refund of the Deposit delivered to Representative;

(iv) if this Agreement is terminated either by (A) Purchaser pursuant to Section 8.19(a)(ii)(F) and either (y) the Governmental Consents have been received in connection with this transaction and Sellers are otherwise ready, willing and able to satisfy the conditions to the obligations of the Sellers to consummate the Closing set forth in Section 4, other than those conditions that by their nature are to be satisfied at the Closing, each of which conditions shall be capable of being satisfied at the Closing, or (z) the Government Consents have not been received and such failure is due conclusively and primarily to Purchaser's failure to cooperate with the Department (collectively, the "**Breakup Fee Requirements**") or (B) Representative pursuant to Section 8.19(a)(iii)(A), the Escrow Agent shall disburse to Representative or, if following the expiration of the Due Diligence Confirmation Period, Representative shall be entitled to retain the Deposit as a "breakup" fee, and which shall, notwithstanding any provisions contained herein to the contrary, be the sole and exclusive remedy of the Company, Sellers, and any of their respective Affiliates, members, managers, partners, shareholders, directors, representatives (including Representative) and/or assignees (with no further liability on the part of the Purchaser or any of its Affiliates) in respect of this Agreement or any Transaction Agreement and the transactions contemplated hereby or thereby or any matters forming the basis of such termination; and

(v) if this Agreement is terminated by either Purchaser or Representative pursuant to Section 8.19(a)(iv), then Section 8 (Miscellaneous) and this Section 8.19(b), which shall remain in full force and effect and survive any termination of this Agreement, Purchaser shall be entitled to immediately receive a refund of the Deposit paid to the Escrow Agent, and all further rights and obligations of the Parties under this Agreement and the Transaction Agreements will terminate and become void and of no further force or effect, and there shall be no further Liability or obligation on the part of any Party under this Agreement or the Transaction Agreements.

8.20 Legal Representation. It is acknowledged and agreed that the Parties and/or their agent(s) and attorneys have jointly participated in the preparation and negotiation of this Agreement. The Parties acknowledge and agree that they are each sophisticated business parties and have at all times had access to an attorney in negotiations of the terms of and in the preparation and execution of this Agreement. The Parties acknowledge and agree that all terms of this

Agreement were negotiated at arms-length, and this Agreement was prepared and executed without fraud, duress, undue influence or coercion of any kind exerted by any of the Parties upon the others.

8.21 Time is of the Essence. Time is of the essence with respect to each Party's performance of its obligations under this Agreement.

8.22 Appointment of the Representative.

(a) Each Seller irrevocably constitutes and appoints Andrew M. Jolley as the Representative, with full and unqualified power to delegate to one or more Persons the authority granted to it hereunder, to act as such Person's true and lawful attorney-in-fact and agent, with full power of substitution, and authorizes the Representative acting for such Person and in such Person's name, place and stead, in any and all capacities to do and perform every act and thing required or permitted to be done in connection with the transactions contemplated by this Agreement and the other Transaction Agreements, as fully to all intents and purposes as such Person might or could do in person, including:

(i) to determine the time and place of Closing, to determine whether the conditions to effect the Closing set forth in Section 5 have been satisfied (or to waive such conditions), and to terminate (or not to exercise the right to terminate) this Agreement as provided in Section 8.19;

(ii) to take any and all action on behalf of such Sellers from time to time as Representative may deem necessary or desirable to fulfill the interests and purposes of this Agreement and the other Transaction Agreements and to engage agents and representatives (including accountants and legal counsel) to assist in connection therewith, including the delivery of the Purchased Interest and membership interest powers to Purchaser as contemplated hereby;

(iii) to deliver all notices required to be delivered by such Sellers or any of them;

(iv) to receive all notices required to be delivered to such Sellers or any of them;

(v) to negotiate, execute and deliver any amendments to and terminations of this Agreement and the other Transaction Agreements and to prepare any modification to the Disclosure Schedule;

(vi) to give such orders and instructions as Representative in his sole discretion shall determine with respect to this Agreement and the other Transaction Agreements and the transactions contemplated hereby and thereby;

(vii) to retain a portion of the Purchaser Price for payment of expenses relating to the transactions or the obligations of the Company, Representative, or any such Seller arising under or in connection with this Agreement and maintain a reserve for a period of time in connection with the payment of such expenses or obligations, and to incur and pay such expenses and obligations out of such reserve as Representative deems appropriate in his sole discretion;

(viii) to take all actions necessary to handle and resolve claims by or against Purchaser for indemnification by such Sellers under this Agreement;

(ix) to take all actions necessary to handle and resolve any adjustment to the Purchase Price under this Agreement;

(x) to retain and to pay legal counsel and other professionals in connection with any and all matters referred to herein or relating hereto or any other Transaction Agreements (which counsel or other professionals may, but need not, be counsel or other professionals engaged by the Company);

(xi) to make, acknowledge, verify and file on behalf of any such Seller applications, consents to service of process and such other documents, undertakings or reports as may be required by Law as determined by Representative in his sole discretion after consultation with counsel; and

(xii) to make, exchange, acknowledge, deliver, amend and terminate all such other contracts, powers of attorney, orders, receipts, notices, requests, instructions, certificates, letters and other writings, and in general to do all things and to take all actions, that Representative in his sole discretion may consider necessary or proper in connection with or to carry out the aforesaid, as fully as could such Sellers if personally present and acting.

(b) Each of such Sellers hereby irrevocably grants unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing necessary or desirable to be done in connection with the matters described above, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that Representative may lawfully do or cause to be done by virtue hereof. Each of such Sellers further agrees not to take any action inconsistent with the terms of this Section 8.22 or with the actions (or decisions not to act) of Representative hereunder, and in any case shall not take any action or other position under this Agreement without the consent of Representative. To the extent of any inconsistency between the actions (or decisions not to act) of Representative and of any such Seller hereunder, the actions (or decisions not to act) of Representative shall control. EACH SUCH SELLER ACKNOWLEDGES THAT IT IS HIS OR ITS EXPRESS INTENTION TO HEREBY GRANT A DURABLE POWER OF ATTORNEY UNTO REPRESENTATIVE AND THAT THIS DURABLE POWER OF ATTORNEY IS NOT AFFECTED BY SUBSEQUENT INCAPACITY OF SUCH SELLER. Each of such Sellers further acknowledges and agrees that upon execution of this Agreement, any delivery by Representative of any waiver, amendment, agreement, opinion, certificate or other documents executed by Representative pursuant to this Section 8.22, such Seller shall be bound by such documents as fully as if such Seller had executed and delivered such documents, and any action (or decision not to act) taken or otherwise implemented by Representative under this Agreement shall be binding upon all Sellers.

(c) Actions of the Representative. Each Seller agrees that Purchaser shall be entitled to rely on any action taken by Representative, on behalf of Sellers pursuant to Section 8.22(a) above (each, an "**Authorized Action**"), and that each Authorized Action shall be binding on each such Seller as fully as if such Person had taken such Authorized Action. Each Seller acknowledges and agrees that any payment made by Purchaser on behalf of such Seller to

Representative pursuant to this Agreement shall constitute full and complete payment to Seller and Purchaser shall have no further Liability therefor. No Seller shall bring, and each Seller hereby waives any right to bring, any Legal Proceeding against Purchaser as a result of any actions or inactions of Representative.

(d) Death or Disability of the Representative. In the event of the death or permanent disability of Representative, or his resignation, a successor Representative shall be appointed by a majority vote of the holders of issued and outstanding membership interests of the Company immediately prior to the Closing, with each such holder (or such holder's successors or assigns) to be given a vote equal to the number of votes represented by the percentage of the Company's outstanding membership interests held by such holder immediately prior to the Closing.

(e) Deposit. Each Seller and his spouse, if applicable, shall, simultaneous with the execution of this Agreement, deposit his, her or its membership interests of the Company (together with a membership interest power executed in blank) with Representative for delivery by Representative to Purchaser at the Closing.

[Remainder of this page intentionally left blank; signatures follow.]

IN WITNESS WHEREOF, the Parties have executed this Membership Interest Purchase Agreement as of the Effective Date.

COMPANY:

NEVADA ORGANIC REMEDIES LLC

By: */s/ Andrew M. Jolley*
Andrew M. Jolley
Co-Manager

By: */s/ Stephen J. Byrne*
Stephen J. Byrne
Co-Manager

SELLERS:

ANDREW M. JOLLEY

/s/ Andrew M. Jolley
Andrew M. Jolley

STEPHEN J. BYRNE

/s/ Stephen J. Byrne
Stephen J. Byrne

IN WITNESS WHEREOF, the Parties have executed this Membership Interest Purchase Agreement as of the Effective Date.

SELLER:

PATRICK G. BYRNE

/s/ Patrick G. Byrne

Patrick G. Byrne

IN WITNESS WHEREOF, the Parties have executed this Membership Interest Purchase Agreement as of the Effective Date.

SELLER:

DARREN C. PETERSEN

/s/ Darren C. Peterson

Darren C. Petersen

IN WITNESS WHEREOF, the Parties have executed this Membership Interest Purchase Agreement as of the Effective Date.

SELLER:

HARVEST DISPENSARIES, CULTIVATION, AND KITCHEN CONSULTANTS LLC

By: */s/ Liesl Sicz*

Liesl Sicz
Manager

By: */s/ Steve White*

Steve White
Chief Executive Officer and Manager

IN WITNESS WHEREOF, the Parties have executed this Membership Interest Purchase Agreement as of the Effective Date.

PURCHASER:

GGB NEVADA LLC

By: */s/ Benton E. Kraner*
Print Name: Benton E. Kraner
Title: Authorized Representative

Parent:

XANTHIC BIOPHARMA INC.

By: */s/ Tim Moore*
Print Name: Tim Moore
Title: CEO

SCHEDULE 1

LIST OF SELLERS

Name of Seller
Andrew M. Jolley
Stephen J. Byrne
Patrick G. Byrne
Darren C. Petersen
Harvest Dispensaries, Cultivation, and Kitchen Consultants LLC

EXHIBIT A

MEMBERSHIP INTEREST ASSIGNMENT

This MEMBERSHIP INTEREST ASSIGNMENT (this "**Assignment**"), effective as of [_____] [__], 2018 (the "**Assignment Effective Date**"), is from _____ ("**Seller**") to GGB Nevada LLC, a Nevada limited liability company ("**Purchaser**").

Capitalized terms used but not otherwise defined in this Assignment shall have the meanings ascribed to them in that certain Membership Interest Purchase Agreement dated ____, 2018 (the "**MIPA**") by and between Seller, Purchaser, Nevada Organic Remedies LLC, a Nevada limited liability company (the "**Company**"), and other parties thereto.

In consideration of payment by Purchaser of the Purchase Price, and other good and valuable consideration specified in the MIPA, the receipt and sufficiency of which is hereby acknowledged by Seller, Seller does hereby bargain, grant, sell, convey, assign, transfer and deliver, free and clear of all Liens, unto Purchaser, its successors and assigns, _____ percent ([___]%) of the issued and outstanding membership interests of the Company.

TO HAVE AND TO HOLD said membership interest unto Purchaser, its successors and assigns, to and for their use forever.

This Assignment (a) hereby incorporates by reference the Company and Seller representations in the MIPA as if fully set forth herein; (b) shall be binding upon Seller, and shall inure to the benefit of, and be enforceable by, Purchaser and its successors and assigns; and (c) shall be governed by, interpreted and enforced in accordance with Nevada law without the application of any conflicts of law provisions.

IN WITNESS WHEREOF, Seller has executed this Assignment as of the Assignment Effective Date.

SELLER:

[_____]

By:_____
Name:
Title:

EXHIBIT B

NOTE

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT C

AMENDED AND RESTATED
OPERATING AGREEMENT OF THE COMPANY

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT D

LOCK-UP AGREEMENT

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT E

RESTRICTIVE COVENANT AND GENERAL RELEASE AGREEMENT

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT F

DISCLOSURE SCHEDULE

See attached.

EXHIBIT G

SECURITY AGREEMENT

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT H

SAHARA REAL ESTATE OPTION AGREEMENT

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT I

POST REAL ESTATE OPTION AGREEMENT

To be mutually agreed upon prior to the expiration of the Due Diligence Confirmation Date.

EXHIBIT J

ESCROW AGREEMENT

See attached.