AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made the 30th day of October, 2023 (the "**Effective Date**"),

BETWEEN:

> **333 JARVIS REALTY INC.**, a corporation incorporated under the laws of the Province of Ontario,
>
> (the "**Vendor**")
>
> – and –
>
> **BJK DEVELOPMENTS LTD.**, a corporation incorporated under the laws of the Province of British Columbia,
>
> (the "**Purchaser**")

RECITALS:

A. The Vendor is the registered and beneficial owner of the lands described in Schedule "A" attached hereto (the "**Lands**").

B. The Vendor owns the Chattels (as described below).

C. The Vendor has agreed to sell, transfer, assign, set over and convey its interests in the Purchased Assets (as defined below) to the Purchaser, and the Purchaser has agreed to purchase, acquire and assume the Purchased Assets from the Vendor, on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing and the representations, warranties, covenants, conditions, agreements and promises contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties to this Agreement, the Parties agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF INTERPRETATION

1.1 Definitions

Throughout this Agreement, the following terms shall have the following corresponding meanings:

"**Agreement**", "**this Agreement**", "**the Agreement**", "**hereof**", "**herein**", "**hereto**", "**hereby**", "**hereunder**" and similar expressions mean this Purchase Agreement dated as of the date hereof between the Parties. All references to "Articles" and "Sections" mean and refer to the specified article and section of this Agreement.

"**Applicable Law**" means: (a) any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise); (b) any judgement, order, writ, injunction, decision, ruling, decree or award; (c) any regulatory policy, practice, guideline or directive; or (d) any franchise, licence, qualification, authorization, consent, exemption, waiver, right, permit or other approval of any Governmental Entity, binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the property of such Person, in each case whether or not having the force of law.

"**BC Property**" means the lands and premises located at 5450 Highway 97, Falkland, British Columbia V0E 1W1, which are legally described as follows:

> Parcel Identifier: 004-553-357
>
> THAT PART OF THE SOUTHWEST 1/4 OF SECTION 1 SHOWN ON AMENDED PLAN B814 (DD 238383F); TOWNSHIP 18 RANGE 12 WEST OF THE 6TH MERIDIAN KAMLOOPS DIVISION YALE DISTRICT EXCEPT PLANS 13176 AND KAP75817;

"**BC Transactions**" means the agreement of purchase and sale between 5450 Realty Inc., a corporation incorporated under the laws of the Province of British Columbia with a registered and records office address of 301-1665 Ellis Street, Kelowna, BC V1Y 2B3, and the Purchaser made as of 30th day of October, 2023, whereunder 5450 Realty Inc. agreed to sell such assets and property, including the BC Property, on the terms and conditions therein contained.

"Bill of Sale Agreement" shall have the meaning given to it in Section 5.4.

"Borrowers" means Heritage Cannabis Holdings Corp., Heritage, 333 Jarvis Realty Inc., 5450 Realty Inc., and Heritage Cannabis West Corporation.

"**Building**" or "**Buildings**" means all of the buildings, structures, improvements and fixtures located on the Lands, together with all fixtures, appurtenances and attachments thereto, including systems of a mechanical nature.

"**Business Day**" means every day except a Saturday, Sunday or a day that is a statutory or banking holiday in the Province of Ontario.

"**Chattels**" means any equipment or other tangible personal property owned by the Vendor and used in the operation and maintenance of the Property.

"**Claims**" means all past, present and future claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, fines, disbursements, legal fees on a full indemnity basis and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever, but for greater certainty shall exclude punitive or exemplary damages between the Vendor and the Purchaser.

"**Closing**" means the closing and consummation of the purchase and sale of the Purchased Assets pursuant to this Agreement, including payment of the Purchase Price and delivery of the Closing Documents, on the Closing Date.

"**Closing Date**" means October 31, 2023.

"**Closing Documents**" means the agreements, instruments and other documents and deliveries to be delivered on Closing by the Vendor to the Purchaser pursuant to Section 7.2 and the agreements, instruments and other documents and deliveries to be delivered on Closing by the Purchaser to the Vendor pursuant to Section 7.3.

"**Contracts**" means all existing contracts and agreements with third parties in respect of the ownership, maintenance, repair, operation, management, or servicing of the Property, but excluding, for greater certainty, employment contracts.

"**Effective Date**" has the meaning given to it on the first page of this Agreement.

"**Encumbrances**" means any charge, mortgage, lien, pledge, restriction, restrictive covenant, security interest, easement, servitude, right of way, development or like agreement, license, lease, encroachment or other encumbrance, whether created or arising by agreement, statute or otherwise at law, attaching to property, interests or rights, whether registered or unregistered.

"**Environmental Conditions**" means, collectively, (i) discharges, deposits, spills, escapes, or releases of any Hazardous Substances into the natural environment in, on, over, under or at the Property in violation of Environmental Law; (ii) claims, actions, prosecutions, charges, hearings or other proceedings of any kind in any court or tribunal which relate to the Property or any violation of any Environmental Law relating to the Property; (iii) violations of, or any orders or directions with respect to, any applicable Environmental Law relating to the Property; (iv) use of the Property for a waste disposal site and there is no fill material on or forming any portion of the Property; and (v) injunctions, orders or judgments outstanding relating to environmental matters with respect to the Property.

"**Environmental Law**" means, collectively, the *Environmental Protection Act* (Ontario) and any other Applicable Law rendered by any Governmental Entity relating to protection of human health and the environment, including the regulation of Hazardous Substances.

"**Governmental Entity**" means any domestic or foreign government, including any federal, provincial, state, territorial or municipal government, and any government agency, tribunal, commission or other authority exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, in each case, having jurisdiction.

"Guarantors" means 1005477 B.C Ltd., Purefarma Solutions Inc., Heritage Cannabis Exchange Corp.

"**Heritage**" shall have the meaning given to it in Section 5.4.

"**Heritage Condition**" shall have the meaning given to it in Section 5.4.

"**Heritage Lease**" shall have the meaning given to it in Section 5.4.

"**HST Act**" shall have the meaning given to it in Section 3.5(b).

"**HST Certificate**" shall have the meaning given to it in Section 3.5(e).

“**Land Transfer Tax**” shall have the meaning given to it in Section 3.2(c).

“**Lands**” shall have the meaning given to it in the Recitals.

“**Leases**” means all offers to lease, agreements to lease, leases, renewals of leases and other rights and licenses (including all security, guarantees and indemnities thereunder) granted by the Vendor or their predecessor in title to possess or occupy any portion of the Property; and “**Lease**” means any one of the Leases.

“**Loan**” means the loan granted by BJK Holdings Ltd. to the Borrowers, as guaranteed by the Guarantors, pursuant to a loan agreement dated March 29, 2021, between BJK Holdings Ltd., the Borrowers and the Guarantors, as amended from time to time to the date hereof, and as further amended by the Third Amending Credit Agreement.

“**Notice**” shall have the meaning given to it in Section 9.2.

“**Option Agreement**” means the option agreement to be entered into between the Purchaser and the Vendor on the Closing Date in the form attached hereto as Schedule E.

“**Parties**” means, collectively, the Vendor and the Purchaser, and “**Party**” means any of them.

“**Permitted Encumbrances**” means the Encumbrances set out in Schedule “B” hereto.

“**Person**” means an individual, partnership, limited partnership, corporation, trust, unincorporated organization, government or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual.

“**Property**” means, collectively, the Lands, the Buildings, and all easements, rights-of-way, servitudes and other rights enjoyed by the Vendor as appurtenant to or in conjunction therewith.

“**Purchased Assets**” means, collectively:

(a) the Property;

(b) the Permitted Encumbrances;

(c) Warranties; and

(d) the Chattels (if any).

“**Purchase Price**” shall have the meaning given to it in Section 3.1.

“**Purchaser’s Solicitors**” means Dickinson Wright LLP or such other firm or firms of solicitors or agents as are appointed by the Purchaser from time to time and Notice of which is provided to the Vendor or the Vendor’s Solicitors.

“**Realty Tax Refunds**” shall have the meaning given to it in Section 3.4.

"**Third Amending Credit Agreement**" means the third loan amending agreement made as of the 31st day of October, 2023, among BJK Holdings Ltd., as lender, the Borrowers, as borrowers, and the Guarantors, as guarantors;

"**Transaction**" shall have the meaning given to it in Section 2.1.

"**Transfer Taxes**" shall have the meaning given to it in Section 7.4.

"**Unsatisfied Condition**" shall have the meaning given to it in Section 5.3(a)(i)(b).

"**Vendor's Solicitors**" means Owens Wright LLP or such other firm or firms of solicitors or agents as are appointed by the Vendor from time to time and Notice of which is provided to the Purchaser or the Purchaser's Solicitors.

"**Warranties**" means any existing warranties and guarantees in favour of the Vendor in connection with the construction, maintenance, repair and operation of the Building.

1.2 Certain Rules of Interpretation

In this Agreement:

(a) **Time** – Time is of the essence in and of this Agreement.

(b) **Calculation of Time** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end.

(c) **Business Days** – Whenever any action to be taken or payment to be made pursuant to this Agreement would otherwise be required to be made on a day that is not a Business Day, such action shall be taken or such payment shall be made on the first Business Day following such day.

(d) **Currency** – Unless otherwise specified, all references to amounts of money in this Agreement refer to the lawful currency of Canada.

(e) **Headings** – The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect the interpretation of this Agreement.

(f) **Including** – Where the word "**including**" or "**includes**" is used in this Agreement, it means "**including without limitation**" or "**includes without limitation**".

(g) **Plurals and Gender** – The use of words in the singular or plural, or referring to a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to such persons or circumstances as the context otherwise permits.

(h) **Statutory References** – Any reference to a statute shall mean the statute in force as at the date of this Agreement (together with all regulations promulgated thereunder), as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided.

1.3 Schedules

The schedules to this Agreement are an integral part of this Agreement:

Schedule A	-	Legal Description of the Lands; Map Depicting Lands
Schedule B	-	Permitted Encumbrances
Schedule C	-	Form of HST Certificate
Schedule D	-	Vendor Deliverables
Schedule E	-	Option Agreement

ARTICLE II
PURCHASE AND SALE

2.1 Transfer of Purchased Assets

The Vendor hereby sells to the Purchaser, and the Purchaser hereby purchases from the Vendor, the Purchased Assets, upon the terms and conditions hereinafter set forth as of the date of this Agreement (the "**Transaction**"). The Closing shall be completed electronically on the Closing Date.

ARTICLE III
PURCHASE PRICE

3.1 Purchase Price

The purchase price for the Purchased Assets shall be $5,505,179.00 (the "**Purchase Price**"), subject to adjustments.

3.2 Adjustments

(a) The balance due on Closing shall be adjusted for realty taxes, local improvements, lot levies, dedications, sewer impost fees, special assessments, capital levies, water, utilities, Land Transfer Taxes (as set forth in Section 3.2(c) below) and all other similar costs and fees pertaining to the Property as are customarily adjusted in transactions similar to the Transaction in Ontario. Insurance premiums maintained by the Vendor shall not be adjusted, but insurance shall remain the responsibility of the Vendor until the Closing Date, and thereafter the Purchaser shall place its own insurance. Adjustments shall be calculated as of the Closing Date, with the Vendor responsible for all expenses and entitled to any revenue accruing from the Purchased Assets for the day ending prior to the Closing Date, and the Purchaser responsible for all expenses and entitled to any revenue accruing from the Purchased Assets from and after the Closing Date.

(b) At least three (3) Business Days prior to the Closing Date, the Vendor shall cause to be delivered to the Purchaser, for its review and approval, a statement of adjustments for the Property. The statement of adjustments shall have annexed to it, to the extent available, details of the calculations used by the Vendor to arrive at all debits and credits on the statement of adjustments. The Vendor shall give the Purchaser reasonable access to the Vendor's working papers and back-up materials in order to confirm the statement of adjustments.

(c) The Purchaser and the Vendor hereby agree that payment of land transfer tax and registration fees or other like charges properly payable on or in connection with the purchase of the Purchased as set forth herein pursuant to such applicable taxing legislation (collectively, the "**Land Transfer Tax**") shall be the responsibility of the Purchaser to remit on the Closing Date, but that Vendor shall fully reimburse the Purchaser for all such Land Transfer Tax by way of a credit to the Vendor on the statement of adjustments in accordance with the terms set forth in this Section 3.2. For greater certainty, Land Transfer Tax does not include any HST exigible on the Transaction which shall remain the sole responsibility of the Purchaser in accordance with Section 3.5.

3.3 Allocation of the Purchase Price

On or before the Closing Date, the Parties shall use reasonable commercial efforts to agree on an allocation of the Purchase Price between the Lands and the Building for the Property, provided that if the Parties are unable to agree on such allocation, they shall be entitled to proceed with their own allocations between the Lands and the Building for the Property.

3.4 Realty Tax Refunds

In the event that there are any realty or business tax appeals for 2023 or any prior calendar year for the Property, the Vendor shall, at its option, be entitled to continue such appeals and shall be entitled to receive any payment resulting therefrom (the "**Realty Tax Refunds**"), it being understood that the Vendor shall then reimburse the Purchaser for its per diem share of any Realty Tax Refunds received for the calendar year in which Closing occurs as part of post-closing adjustments. The Purchaser agrees to co-operate with the Vendor with respect to all such appeals. To the extent the Purchaser receives any of the aforementioned Realty Tax Refunds (or credits therefor) on or after the Closing Date, it shall hold such Realty Tax Refunds (or credits) in trust and forthwith remit them to the Vendor.

3.5 HST

The Purchaser hereby represents and warrants to the Vendor as follows:

(a) the Purchaser shall be purchasing the Property on the Closing Date as principal for its own account and not as agent, trustee or otherwise on behalf of another Person;

(b) the Purchaser shall be registered under subdivision d of Division V of Part IX of the *Excise Tax Act* (Canada) (the "**HST Act**") for the purposes of collection and remittance of HST, and shall be liable, shall self-assess and remit to the appropriate Governmental Entity all HST which is payable under the HST Act in connection with the transfer of the Property made pursuant to the Agreement, all in accordance with the HST Act;

(c) the Vendor shall not collect HST on Closing regarding the Property and shall allow the Purchaser to self-assess and remit HST to the Receiver General in accordance with the HST Act;

(d) the Purchaser shall indemnify and save harmless the Vendor from and against any and all HST, penalties, costs and/or interest which may become payable by or assessed against the Vendor as a result of any inaccuracy, misstatement or misrepresentation made by the Purchaser on the Closing Date in connection with any matter raised in this Section; and

(e) the Purchaser shall tender on Closing a certificate and indemnity with respect to the foregoing, substantially in the form of Schedule "C" (the "**HST Certificate**").

3.6 Purchaser's Legal Fees

The Vendor hereby agrees that it shall be solely responsible and shall pay by wire transfer to the Purchaser's Solicitors on the Closing Date, the Purchaser's legal fees including any applicable tax thereon incurred with the Transaction, or shall make such payment to such party as the Purchaser may direct.

ARTICLE IV
INSPECTIONS AND MATERIALS

4.1 Deliveries

(a) The Vendor confirms having made available to the Purchaser, via an electronic data room or other electronic means, the items identified in Schedule "D" (being collectively referred to as the "**Deliveries**"). The Purchaser acknowledges receipt of the Deliveries.

(b) The Purchaser shall be entitled to receive, and the Vendor shall provide to the Purchaser, within a reasonable time following any request given by the Purchaser at any time prior to the Closing Date, such additional material information pertaining to the Property or the Purchased Assets as the Purchaser may reasonably request so long as the same is in the possession and control of the Vendor.

ARTICLE V
CLOSING CONDITIONS

5.1 Conditions in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions to be waived or satisfied on or before 5:00 p.m. EST on the date specified therefor:

(a) by the Closing Date, the Purchaser shall have satisfied itself in its sole, subjective, absolute, and unfettered discretion with the results of the physical condition, state of repair, sufficiency of construction, suitability of the Property for the Buyer's intended use, and all structural and environmental aspects of the Property, including a satisfactory Phase 1 environmental investigation report, satisfactory review of those Vendor's deliverables as set forth in Schedule "D" attached hereto, satisfactory title insurance, leases, Permitted Encumbrances, satisfactory review of title (and, if any new matters going to the root of title or matters relating to new Encumbrances arise after the expiration of waiving such condition prior to the Closing Date, the Purchaser shall have the same rights to submit objections and to terminate this Agreement if such objections have not been remedied or satisfied), and with all aspects of this Transaction and Property in accordance with the Buyer's sole and absolute requirement in that regard (such conditions, the "**Due Diligence Condition**");

(b) on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor, shall have been complied with or performed at the times contemplated herein in all material respects;

(c) all of the representations and warranties in Section 6.1 shall be true and accurate in all material respects, in each case, at and as of the Closing Date, as if made as of the Closing Date (except to the extent such representations and warranties expressly and only relate to an earlier date, in which event such representations and warranties shall be true and accurate in all material respects, as applicable, on and as of such earlier date); and

(d) on or before the Closing Date, the Vendor's Closing Documents shall have been delivered as required by Section 7.2.

The conditions set forth in this Section 5.1 are for the sole benefit of the Purchaser and may be waived in whole or in part by the Purchaser by the time specified for satisfaction or waiver of that condition in accordance with Section 5.3 below.

5.2 Conditions in favour of the Vendor

The obligation of the Vendor to complete the Transaction shall be subject to the following conditions to be waived or satisfied on or before 5:00 p.m. EST on the date specified therefor:

(a) on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed at the times contemplated herein in all material respects;

(b) all of the representations and warranties in Section 6.2 shall be true and accurate in all material respects, in each case, at and as of the Closing Date, as if made as of the Closing Date (except to the extent such representations and warranties expressly and only relate to an earlier date, in which event such representations and warranties shall be true and accurate in all material respects, as applicable, on and as of such earlier date);

(c) on or before the Closing Date, the Purchaser's Closing Documents shall have been delivered as required by Section 7.3; and

(d) on or before the Closing Date, the Purchase Price, as adjusted, shall have been paid or satisfied as set forth in Section 3.1.

The conditions precedent set forth in this Section 5.2 are for the sole benefit of the Vendor and may be waived in whole or in part by the Vendor by the time specified for satisfaction or waiver of that condition in accordance with Section 5.3 below.

5.3 Non-Satisfaction of Conditions

(a) In the event the Due Diligence Condition is not satisfied or waived by the Purchaser by Notice to the Vendor in writing on or before the Closing Date, this Agreement shall be null and void and all of the obligations of the Parties provided for herein shall be at an end (except those which are to survive termination pursuant to this Agreement). Should the Purchaser provide Notice of the satisfaction or waiver of the Due Diligence Condition, it shall be deemed to have agreed to proceed with the purchase of the Purchased Assets subject to the provisions of this Agreement.

(b) In the event any of the conditions outlined in Sections 5.1 to 5.2 inclusive are not satisfied or waived as therein provided on or before the applicable date or time referred therein, (such condition being referred to as the "**Unsatisfied Condition**"), this Agreement shall, upon Notice by the Party having the benefit of the Unsatisfied Condition to the other Party, be terminated and the Parties shall be released from all obligations hereunder (except those which are to survive termination pursuant this Agreement) unless the reason for the Unsatisfied Condition not being satisfied is the breach by a Party of an obligation under this Agreement, in which case, a Claim may be made against such Party.

(c) if by the applicable date or time referred to in Section 5.1 or 5.2 the Party having the benefit of the condition to be satisfied by such date or time has not given Notice to the other Party that the condition has been waived or satisfied, such condition shall be deemed not to have been waived or satisfied, unless in the case of any condition to be satisfied by Closing, the Party shall have proceeded to close the Transaction, in which event all such Conditions shall be deemed to have been waived or satisfied without affecting liability of the Parties for misrepresentations of representations under Sections 6.1 and 6.2 that the affected Party does not discover until after Closing.

5.4 Heritage Agreement, Heritage Lease, and Heritage Condition

(a) Simultaneously with the execution of this Agreement, the Purchaser and Heritage Cannabis East Corporation ("**Heritage**"), shall settle and enter into a lease with respect to the Property (the "**New Heritage Lease**"), which shall commence on or about the date of the Closing Date, and on such mutually agreeable terms as set forth therein.

(b) Furthermore, simultaneously with the execution of this Agreement, and the New Heritage Lease, the Vendor shall cause, at its sole cost and expense, to terminate any existing Leases entered into with regard to the Lands, and shall provide written confirmation and/or proof to the Purchaser that such Lease or Leases have been terminated and are of no force and effect.

(c) This Agreement is conditional upon the Purchaser and Heritage completing and entering into the New Heritage Lease, that Heritage Cannabis Holdings Corp. and BJK Holdings Ltd. shall have delivered to the parties the Third Amending Credit Agreement, which shall be in full force and effect prior to the effective date of this Agreement, and is further conditioned on closing the BC Transactions simultaneously with the closing of this Transaction (the "**Heritage Condition**"). The Parties agree that the Heritage Condition is a true condition precedent to this Agreement and may not be waived by either Party. If the Heritage Condition is not satisfied by the time set forth herein, then this Agreement shall be null and void, the deposit (if any) shall be returned to the Purchaser, and all of the obligations of the Parties provided for herein shall be at an end (except those which are to survive termination pursuant to this Agreement), unless expressly extended or otherwise agreed upon by the Parties at their sole and absolute discretion.

5.5 Reasonable and Diligent Efforts to Satisfy Conditions

Each Party agrees to proceed in good faith and with promptness and reasonable diligence to attempt to satisfy those conditions in favour of the other Party contained in this Article V that are within its responsibility or control, acting reasonably, provided that no Party shall be required to spend money or incur additional obligations to obtain the necessary assistance or co-operation of any third party to satisfy any condition, other than expenditure of reasonable legal fees and provided that neither Party to this Agreement shall have a right to advance a Claim against the other with respect to an Unsatisfied Condition unless it results in the termination of this Agreement, and the reason for the condition not being satisfied is the breach by such Party of an obligation under this Agreement, in which case a Claim may be made by such Party, subject to the other provisions of this Agreement, and provided further that the foregoing shall not limit or prejudice the rights of any Party to be satisfied in its sole and unfettered discretion as to the fulfilment of a condition in its respective favour if such right is provided pursuant to the terms of such condition. Without limiting the generality of the foregoing, the Vendor covenants to assist if and as reasonably required to transfer the existing Environmental Compliance Approvals benefitting the Property to the Purchaser (or as it may direct).

ARTICLE VI
REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of the Vendor

The Vendor hereby represents and warrants to the Purchaser that, with respect to its interest in the Purchased Assets:

(a) The Vendor is a corporation existing, governed and in good standing under the laws of its jurisdiction of incorporation, and has the necessary power, capacity and authority to own its interest in the Purchased Assets, to enter into this Agreement, the Closing Documents to which it is a party and the Transaction, and to carry out the agreement of purchase and sale constituted on the execution and delivery of this Agreement and the Closing Documents to which it is a party on the terms and conditions herein contained;

(b) the Vendor (i) is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or the *Winding up and Restructuring Act* (Canada), (ii) has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, (iii) has not had any petition for a receiving order presented in respect of it, and (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution;

(c) the Vendor is the sole and absolute registered and beneficial owner of the Property, with good and valid marketable title thereto, free and clear of all Encumbrances other than Permitted Encumbrances;

(d) there are no Leases or any other contracts granting any Person the right to lease, license, use, occupy, or otherwise enjoy the Property (it being acknowledged and understood by the Parties that Heritage currently occupies the Property pursuant to an unwritten lease agreement with the Vendor which will be superseded by the New Heritage Lease on Closing);

(e) there are no Contracts in respect of the Property;

(f) there are no options or rights to purchase, rights of first offer or refusal, offers to lease or license, offers to purchase, or any other purchase or occupancy rights, conditional or otherwise, with respect to the Purchased Assets or any part thereof, or the Property or any part thereof, in favour of any Person(s) other than this Agreement;

(g) to the knowledge of the Vendor, there are not currently, and have not in the past been except as previously disclosed to the Purchaser, any Environmental Conditions affecting the Property, and no facts or circumstances in existence that, with the passage of time or the giving of notice or both, would give rise to Environmental Conditions;

(h) all accounts for labour, work and services performed or materials placed or furnished upon or in respect of connection at the Property has been fully paid, and no Person has a right to file a construction lien against the Property;

(i) the Vendor is not now, and will not be on Closing, a "non-resident" of Canada within the meaning of Section 116 of the ITA;

(j) the Property has not been occupied by any shareholder, director or officer of the Vendor and his or her spouse as their matrimonial home;

(k) there is not now any agreement or other instrument binding upon the Vendor that will prevent the performance or satisfaction by the Vendor of any of the terms and conditions of this Agreement, nor is any approval or consent required from any Governmental Entity (except as may be contained in any Permitted Encumbrance) to consummate the Transaction herein contemplated; and

(l) the Vendor has not received any written notice of any intention of any Governmental Entity to expropriate or condemn all or any material part of the Property, and to the best of the Vendor's knowledge, no such expropriation or condemnation is planned or threatened.

6.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to the Vendor that:

(a) the Purchaser is a corporation existing, governed and in good standing under the laws of its jurisdiction of incorporation, has the necessary authority, power and capacity to enter into this Agreement and the Closing Documents to which it is a party and the Transaction contemplated herein, and to carry out the agreement of purchase and sale constituted on the execution and delivery of this Agreement and the Closing Documents to which it is a party and the Transaction contemplated herein on the terms and conditions herein contained;

(b) this Agreement, the agreement of purchase and sale constituted on the execution and delivery thereof and the obligations of the Purchaser hereunder and the documents and the Transaction contemplated herein have been duly and validly authorized by all requisite proceedings and constitute legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms subject to (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally, and (ii) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court;

(c) the Purchaser (i) is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or the *Winding up and Restructuring Act* (Canada),

(ii) has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, (iii) has not had any petition for a receiving order presented in respect of it, and (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution;

(d) no approval or consent of any Governmental Entity is required by the Purchaser in connection with the execution, delivery and performance of this Agreement or any Closing Document by the Purchaser and the completion of the Transaction;

(e) the Purchaser is not a "non-Canadian" for the purposes of the *Investment Canada Act* (Canada); and

6.3 Survival of Representations and Warranties

The Parties' representations, warranties, covenants and agreements contained in this Agreement shall not merge on but shall survive for a period of TWELVE (12) months following the Closing. Each of the Vendor and the Purchaser covenants with the other that if the Closing takes place, it shall indemnify and hold harmless the other from any and all Claims suffered by the other as a result of any material breach by it of any of the representations, warranties or covenants contained herein provided that the material breach was not known to the Purchaser or the Vendor on or prior to the Closing Date.

ARTICLE VII
THE CLOSING

7.1 Closing

The closing of the Transaction shall occur electronically on the Closing Date, at which time:

(a) the Vendor shall deliver the Purchased Assets to the Purchaser, including vacant possession of the Property, free and clear of all Encumbrances other than Permitted Encumbrances;

(b) the parties shall exchange the Closing Documents; and

(c) payment of the Purchaser's legal fees as set forth in Section 3.6 herein.

7.2 Vendor's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Vendor shall execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser or Purchaser's Solicitors the following, and as appropriate:

(a) a registrable transfer of its interest in the Lands in favour of the Purchaser or as the Purchaser directs (the "**Transfer**");

(b) an assignment and assumption agreement with respect to Permitted Encumbrances and Warranties;

(c) any specific assignment and assumption agreements that may be required by the terms of any Permitted Encumbrance;

(d) a general conveyance in respect of the Chattels, if applicable;

(e) a bill of sale;

(f) a certificate of an officer confirming each Vendor (i) is not a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada), and (ii) is receiving the Purchase Price for its own account and not as an agent, trustee or otherwise on behalf of another Person;

(g) an undertaking to readjust following Closing;

(h) all keys to the Building and original executed copies of any Warranties in the possession or control of the Vendor (save and except for keys in the possession of Heritage which shall remain with Heritage pursuant to the New Heritage Lease);

(h) confirmation that such existing Leases with regard to the Lands have been terminated and are of no force and effect;

(i) a certificate of an officer of the Vendor setting out that the representations and warranties of the Vendor contained herein that are to be brought forward on closing are true and accurate in all material respects as at the Closing Date;

(j) the Option Agreement;

(i) an environmental indemnity agreement satisfactory to the Purchaser in its sole and absolute discretion; and

(j) all other conveyances, documents and deliverables which are required and which the Purchaser has requested on or before the Closing Date to give effect to the proper sale, transfer, assignment and conveyance of the Purchased Assets by the Vendor to the Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances.

7.3 Purchaser's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Purchaser shall execute or cause to be executed and shall deliver or cause to be delivered to the Vendor or Vendor's Solicitors the following:

(a) the Purchase Price;

(b) a direction re title to the Lands, if required;

(c) the assignment and assumption agreement described in Section 7.2(b);

(d) any specific assignment and assumption agreements that may be required by the terms of any Permitted Encumbrance;

(e) an undertaking to readjust following Closing;

(f) the HST Certificate and indemnity;

(g) the Option Agreement; and

(h) all other conveyances, documents and deliverables which are required and which the Vendor has requested on or before the Closing Date to give effect to the proper transfer, assignment and conveyance of the Purchased Assets by the Vendor to the Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances.

7.4 Transfer Taxes

Subject to Section 3.2(c), the Purchaser shall pay or cause the payment on the Closing Date of all applicable HST, land transfer taxes, sales taxes, registration fees or other like charges properly payable on or in connection with the purchase of the Purchased Assets hereunder (collectively, the "**Transfer Taxes**") as and when such Transfer Taxes are payable pursuant to the applicable taxing legislation. The Purchaser and the Vendor acknowledge and agree that the Purchase Price and all other amounts referenced herein are exclusive of all Transfer Taxes.

7.5 Form of Closing Documents

All Closing Documents to be delivered by the Parties hereunder shall be in form and substance satisfactory to the Parties and their respective solicitors, in each case acting reasonably, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon the Vendor or the Purchaser than those expressly set forth in this Agreement, or which are inconsistent or in conflict with Article VI.

7.6 Closing Procedures

(a) The Vendor and the Purchaser covenant and agree to cause their respective solicitors to enter into the most recent document registration agreement adopted by the Law Society of Ontario, as same may be reasonably amended by the agreement of both the Vendor's Solicitors and the Purchaser's Solicitors (the "**DRA**"), together with the requirement that the registering solicitor shall be obliged to provide the non-registering solicitor with a copy of the registration report printed by the electronic registration system ("**TERS**") upon the registration of the electronic documents, as evidence of the registration thereof, on the Closing Date. The DRA shall outline or establish the procedures and timing for completing the Transaction and shall be executed by both the Vendor's Solicitors and the Purchaser's Solicitors and exchanged between such solicitors (such that each solicitor has a copy of the DRA duly executed by both solicitors) prior to the Closing Date.

(b) The delivery and exchange of the Closing Documents and funds, and the release thereof to the Vendor and the Purchaser, as the case may be, shall be governed by the DRA, pursuant to which the solicitor receiving any Closing Documents and/or funds will be required to hold them in escrow and will not be entitled to release them except in strict accordance with the provisions of the DRA.

(c) Notwithstanding anything contained in this Agreement or in the DRA to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been validly made by either Party (the "**Tendering Party**") upon the other Party (the "**Receiving Party**") when the solicitor for the Tendering Party has: (A) delivered all applicable Closing Documents and funds to the Receiving Party's solicitor in accordance with the provisions of the DRA; (B) advised the solicitor for the Receiving Party, in writing, that the Tendering Party is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and (C) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Tendering Party's solicitor without the cooperation or participation of the Receiving Party's solicitor, and specifically when the Tendering Party's solicitor has electronically "signed" the Transfer/Deeds of Land for the Lands and other documents to be electronically registered for completeness and granted "access" to the Receiving Party's solicitor (but without the Tendering Party's solicitor releasing such Transfer/Deeds of Land for registration by the Receiving Party's solicitor), without the necessity of personally attending upon the Receiving Party or the Receiving Party's solicitor with the Closing Documents and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

ARTICLE VIII
OPERATIONS UNTIL CLOSING

8.1 Work Order

The Vendor covenants and agrees with the Purchaser that in respect of any work order, deficiency notice, order to comply or other directive or notice of non-conformity from a Governmental Entity that relates to any defect or deficiency in the construction, state of repair or state of completion of the Property (a "**Work Order**"), the Vendor shall, to the extent reasonably possible, comply with same prior to Closing at its expense and deliver evidence of such compliance to the Purchaser or an undertaking to comply with same at its sole expense as soon as reasonably possible after the Closing. Notwithstanding the foregoing, if in the reasonable opinion of the Purchaser's arm's length independent architect, engineer or other qualified expert, the cost to effect such compliance exceeds the amount of One Hundred Thousand Dollars ($100,000.00), the Purchaser shall so advise the Vendor and the Purchaser may either (i) assume such excess costs and proceed to Closing, with the Purchaser entitled to an adjustment on Closing in its favour equal to the estimated cost of compliance, or (ii) not complete the purchase of the Purchased Assets, in which case this Agreement shall be terminated, null and void and of no further force or effect whatsoever, each of the Vendor and the Purchaser shall be released from all of its liabilities and obligations under this Agreement (other than those liabilities and obligations which are expressly stated to survive the termination of this Agreement).

8.2 Damage Before Closing

(a) The interests of the Vendor in and to the Property being purchased, acquired and assumed by the Purchaser pursuant to the terms and conditions of this Agreement shall be at the risk of the Vendor until Closing. If any loss or damage occurs before Closing to the Building, in excess of ten percent (10%) of the Purchase Price (such loss or damage and replacement cost to be determined by the Purchaser's arm's length, independent architect, engineer or other qualified expert, acting reasonably), the Purchaser, within five (5) Business Days after disclosure to the Purchaser by the Vendor of the loss or damage and the extent thereof, shall by Notice to the Vendor elect either (i) to complete the purchase of the Property, in which event the Purchaser shall be entitled to the proceeds of insurance, if any, in respect of the loss or damage and the Vendor shall pay any deductibles in respect of such loss or damage, or (ii) not to complete the purchase of the Property, in which case this Agreement shall be terminated, null and void and of no further force or effect whatsoever, each of the Vendor and the Purchaser shall be released from all of its liabilities and obligations under this Agreement (other than those liabilities and obligations which are expressly stated to survive the termination of this Agreement).

(b) If other loss or damage to the Building occurs, the Purchaser shall have no right to elect to terminate this Agreement, the Purchaser shall be entitled to all proceeds of insurance in respect of such loss or damage (plus the reimbursement by the Vendor of any deductibles), and the Parties shall complete the within Transaction.

8.3 Ordinary Course/Specific Transactions

From the Effective Date until Closing, the Vendor shall operate the Property or cause the Property to be operated in the same manner as it has been operated prior to the Effective Date and, in any event, in accordance with sound business and management practices as would a reasonable owner of comparable properties, and not deal with the Property prior to the Closing Date in any way that could reasonably adversely affect the proposed use of the Property by the Purchaser.

8.4 Leasing and Contracts Prior to Closing

From and after the Effective Date, the Vendor may not enter into any Lease, Contract or Permitted Encumbrance affecting the Property without the prior written consent of the Purchaser, which may be withheld in its sole, absolute and unfettered discretion as to Leases and Contracts, and which may not be unreasonably withheld as to Permitted Encumbrances. Notwithstanding the foregoing, the Vendor may enter into customary maintenance and/or operational Contracts after the Effective Date without the approval of the Purchaser, provided the Vendor (i) notifies the Purchaser of same, and (ii) terminates such Contracts at its sole cost and expense prior to Closing, or such Contracts expire prior to Closing.

8.5 Assignment of Purchased Assets

Nothing in this Agreement shall be construed as an assignment of, or an attempt to assign to the Purchaser, any right, title or interest in any Purchased Asset which is (i) not assignable, or (ii) not assignable without the approval or consent of the other party or parties thereto, without first obtaining such approval or consent (collectively "**Non-Assignable Rights**"). In connection with such Non-Assignable Rights the Vendor shall, at the request of the Purchaser and in each case at the Purchaser's expense:

(a) apply for and use all reasonable commercial efforts to obtain all such consents or approvals, in a form satisfactory to the Purchaser acting reasonably, provided that nothing herein shall require the Vendor to make any payment or incur any obligations to any other party; and

(b) co-operate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Non-Assignable Rights to the Purchaser, including without limitation, holding any such Non-Assignable Rights in trust for the Purchaser as the Purchaser may so direct or acting as agent for the Purchaser, as the Purchaser may so direct, provided that pursuant to such arrangements the Purchaser fully indemnifies the Vendor for all costs, obligations or liabilities incurred thereunder or in connection therewith.

ARTICLE IX
MISCELLANEOUS

9.1 As Is, Where Is

The Purchaser acknowledges and agrees, except as otherwise expressly provided for in this Agreement, that:

(a) the Purchased Assets are being purchased and assumed by the Purchaser on an "as is, where is" basis as of the Closing Date, in the condition or state as they exist as of the Closing Date, and without any express or implied agreement, representation or warranty of any kind whatsoever;

(b) on Closing, title to the Property will be subject to Permitted Encumbrances; and

(c) in entering into this Agreement, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets, including without limitation, the physical and environmental condition of the Property and the review of the documentation made available to the Purchaser.

This section shall not merge on, but shall survive, the Closing Date.

9.2 Notice

Any notice, demand, waiver, instrument, approval, consent, information, agreement, offer, payment, request or other communication (herewith referred to as a "**Notice**") to be given under or in connection with this Agreement shall, unless otherwise agreed to in writing, be in writing and shall be given by personal delivery, addressed or sent as set out below or to such other address as may from time to time be the subject of a notice, or be given by facsimile or email communication, as all set forth below:

To the Purchaser:	BJK Developments Ltd. 238 22nd Street N. Lethbridge, Alberta T1H 3R7 Attention: [*Redacted – Personal Information*] Email: [*Redacted – Personal Information*]
With a copy to:	[*Redacted – Personal Information*] [*Redacted – Personal Information*] [*Redacted – Personal Information*] Attention: [*Redacted – Personal Information*] Email: [*Redacted – Personal Information*]
To the Vendor:	333 JARVIS REALTY INC. Attention: David Schwede Email: [*Redacted – Personal Information*]
With a copy to:	[*Redacted – Personal Information*] [*Redacted – Personal Information*] [*Redacted – Personal Information*] Attention: [*Redacted – Personal Information*] Email: [*Redacted – Personal Information*] [*Redacted – Personal Information*]

A Notice is deemed to be given and received (i) if sent by personal delivery or same day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (Local Time) and otherwise on the next Business Day, (ii) if sent by email prior to 5:00 p.m., upon the day such email is sent, unless such email is not delivered to the recipient's inbox, in which case it shall be deemed delivered on the next Business Day; or (iii) if sent by overnight courier, on the next Business Day if the delivery was made prior to 4:00 p.m. (local time in place of receipt) on such Business Day and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a Notice will be assumed not to be changed.

9.3 Expenses

Subject to Section 3.5 herein, each Party shall pay its respective accounting and other professional advisory fees, costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement and all documents and instruments executed or delivered pursuant to this Agreement, as well as any other fees, costs and expenses incurred.

9.4 Planning Act (Ontario)

This Agreement shall be effective to create an interest in the Purchased Assets only if the provisions of the *Planning Act* (Ontario) are complied with by the Vendor prior to the transfer of the Purchased Assets.

9.5 Further Assurances

The Parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

9.6 Entire Agreement

This Agreement, and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all of the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions or other agreements whether oral or written, pre-contractual or otherwise, express, implied or collateral, whether statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

9.7 Amendments in Writing

No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Parties hereto in the same manner as the execution of this Agreement.

9.8 Severability

If any immaterial covenant, obligation, agreement or part thereof or the application thereof to any Person or circumstance, to any extent, shall be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement or part thereof to any Person, party or circumstance, other than those to which it is held invalid or unenforceable, shall not be affected thereby. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

9.9 No Merger

Except where specifically set out in this Agreement, none of the provisions of this Agreement shall merge in the transfer of the Property or any other document delivered on the Closing Date and the provisions of this Agreement shall survive the Closing Date.

Further, notwithstanding anything else herein contained, the terms and conditions set out herein shall not be superseded by nor merge in and shall survive the execution, delivery and/or registration of the Third Amending Credit Agreement and/or any instruments of security or evidences of indebtedness granted by the Borrowers and/or any Guarantors, and the advancement of any funds by BJK Holdings Ltd.

The taking of a judgment or judgments or any other action or dealing whatsoever by BJK Holdings Ltd. in respect of the Third Amending Credit Agreement and/or any security from time to time given to the BJK Holdings Ltd. by the Borrowers, the Guarantors or any other person under the Loan shall not operate as a merger or release of any of the Borrowers indebtedness, liabilities or obligations or in any way affect or prejudice the rights and remedies of BJK Holdings Ltd. with respect to the Borrowers indebtedness, liabilities and obligations under the Loan.

9.10 Applicable Law

This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated, in all respects, as an Ontario contract.

9.11 Time of the Essence

Time shall be of the essence of this Agreement and the transactions contemplated herein. Where anything is required to be done under this Agreement on a day that is not a Business Day, then the day for such thing to be done shall be the next following Business Day.

9.12 Waiver

No waiver of any of the provisions of this Agreement shall constitute or shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

9.13 Force Majeure

No Party shall be liable or responsible to the other Party, nor be deemed to have breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts beyond such Party’s control, including acts of God, flood, fire, earthquake, tsunami, epidemics, pandemics or epidemics (including the coronavirus pandemic), explosion, war, invasion, hostilities, terrorist threats or acts, riot, or other civil unrest, actions, embargoes, or blockades in effect on or after the date of this Agreement, national or regional emergency, strikes, labour stoppages or slowdowns, or other industrial disturbances, shortage of adequate power or transportation facilities, other similar events beyond the control of the affected Party, and any action by any Governmental Entity (including any Applicable Law) in response to any of the foregoing.

9.14 Interpretation

The Parties hereto acknowledge and agree that:

(a) each Party and its solicitors reviewed and negotiated the terms and provisions of this Agreement and have contributed to their revision;

(b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and

(c) the terms and provisions of this Agreement shall be construed fairly as to all Parties and not in favour of or against any Party, regardless of which party was generally responsible for the preparation of this Agreement.

9.15 Counterparts

This Agreement may be signed in one or more counterparts, each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument. Counterparts may be executed and exchanged in electronic format, including by way of “DocuSign” or other similar electronic signature software. Notwithstanding the date of execution or transmission of any counterpart, each counterpart shall be deemed to have the effective date first written above.

[Signature Page to Follow]

IN WITNESS WHEREOF the Parties have duly executed this Agreement on the date first written above.

BJK DEVELOPMENTS LTD.

Per: (Signed) *[Redacted – Personal Information]*
Name: [*Redacted – Personal Information*]
Title: A.S.O.

Per: ______________________________
Name:
Title:
I/We have authority to bind the Corporation.

333 JARVIS REALTY INC.

Per: (Signed) "*David Schwede*"
Name: David Schwede
Title: Director

Per: ______________________________
Name:
Title:
I/We have authority to bind the Corporation.

SCHEDULE "A"
LANDS & MAP DESCRIPTION

Legal Description:

PIN 64229-0014(LT):

PT LT 25 S/S JARVIS ST PL 348 BERTIE; PT LT 26 S/S JARVIS ST PL 348 BERTIE; PT LT 27 S/S JARVIS ST PL 348 BERTIE; PT LT 28 S/S JARVIS ST PL 348 BERTIE PARTS 1,2,3,4,5,6,7,8,9 ON 59R14734; SUBJECT TO AN EASEMENT OVER PT LT 25 S/S JARVIS ST PL 348 BERTIE, BEING PTS 3, 4 & 8 59R14734 IN FAVOUR OF PTS 11-30, 33-41, 42 & 43 59R14734 AS IN SN357644; SUBJECT TO AN EASEMENT OVER PT LT 25 S/S JARVIS ST PL 348 BERTIE, BEING PT 9 59R14734 IN FAVOUR OF PTS 11-30, 33-41, 42 & 43 59R14734 AS IN SN357645; SUBJECT TO AN EASEMENT OVER PT LT 25 S/S JARVIS ST PL 348 BERTIE, BEING PTS 2, 3 & 6 59R14734 IN FAVOUR OF PTS 11-30, 33-41, 42 & 43 59R14734 AS IN SN357646; TOGETHER WITH AN EASEMENT OVER PTS 11-26, 33-36, 38, 39, 41 & 43 59R14734 AS IN SN357650; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 12, 13, 15, 20, 22 & 28 59R14734 AS IN SN357651; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 17, 25, 30, 34 & 39 59R14734 AS IN SN357652; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 33, 34, 35 & 37 59R14734 AS IN SN357653; TOWN OF FORT ERIE

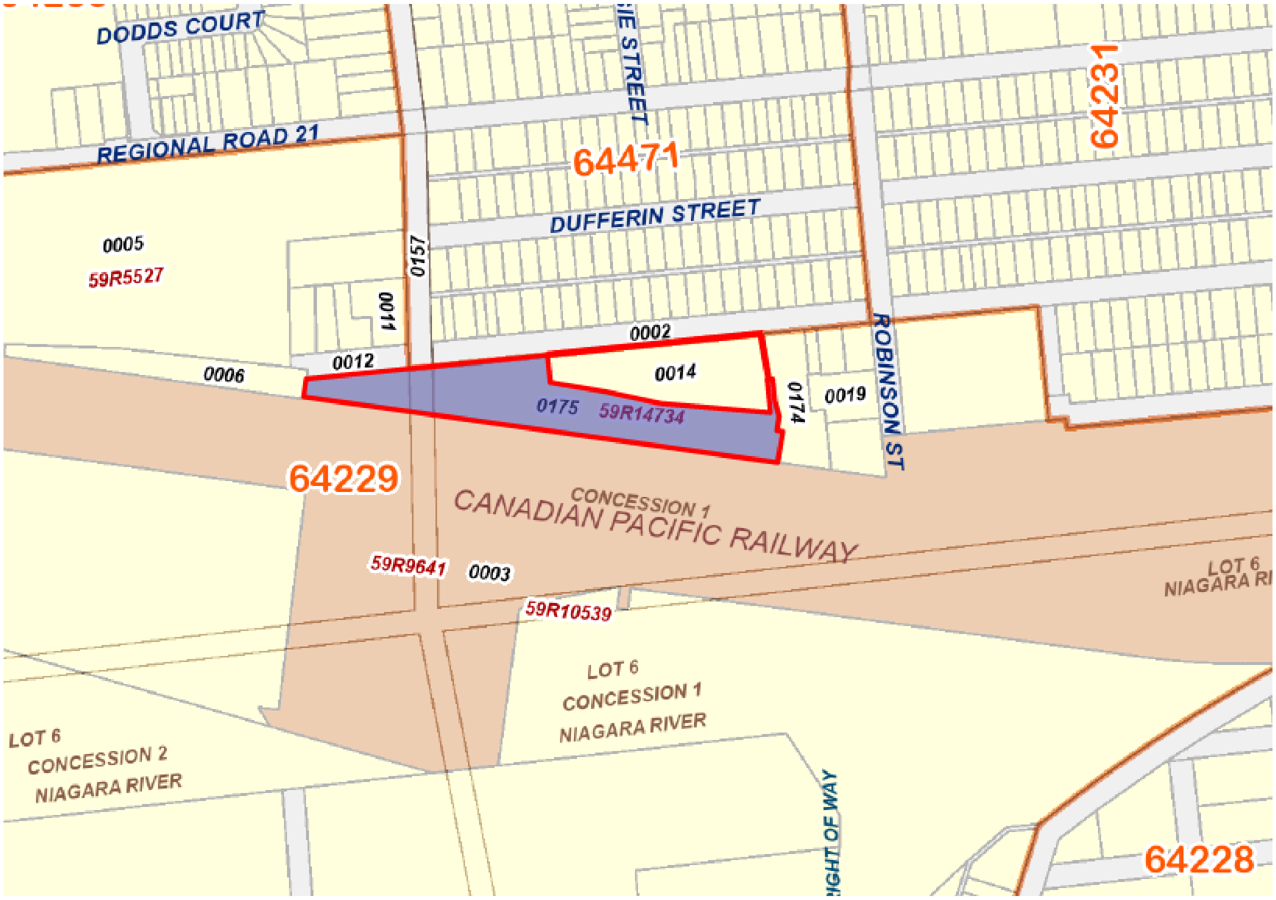
PIN 64229-0175(LT)

LT 6 W/S CROOKS ST PL 348 BERTIE; LT 29 S/S JARVIS ST PL 348 BERTIE; LT 30 S/S JARVIS ST PL 348 BERTIE; PT LT 7 CON 1 NIAGARA RIVER BERTIE; PT LT 7 CON 2 NIAGARA RIVER BERTIE; PT LT 24 S/S JARVIS ST PL 348 BERTIE; PT LT 25 S/S JARVIS ST PL 348 BERTIE; PT LT 26 S/S JARVIS ST PL 348 BERTIE; PT LT 27 S/S JARVIS ST PL 348 BERTIE; PT LT 28 S/S JARVIS ST PL 348 BERTIE; PT RDAL BTN CON 1 & 2 NIAGARA RIVER BERTIE; PT CROOKS ST PL 348 BERTIE CLOSED BY RO443035 BEING PTS 10, 31 AND 32 59R14734; SUBJECT TO AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PT 32 59R14734 IN FAVOUR OF PTS 11- 30, PTS 33-41, PTS 42-43 59R14734 AS IN SN357645; TOGETHER WITH AN EASEMENT OVER PTS 11-26, 33-36, 38-39, PT 41 & PT 43 59R14734 AS IN SN357650; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 12, 13, 15, 20, 22 & 28 59R14734 AS IN SN357651; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 17, 25, 30, 34 & 39 59R14734 AS IN SN357652; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 33-35 & 37 59R14734 AS IN SN357653; TOWN OF FORT ERIE

Municipal Addresses:

333 Jarvis Street, Fort Erie, Ontario

Map Describing the Property



Note: The Lands are as demarcated by the red boundary above. This map is provided for reference only and is not to be relied on for accuracy, representation, or warranty of the Vendor; Purchaser agrees that it shall conduct its own due diligence to determine the Property, Lands, and Building being conveyed.

SCHEDULE "B"
PERMITTED ENCUMBRANCES

General Permitted Encumbrances

1. The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act*, R.S.O 1990, and any amendments thereto or any successor legislation, except paragraphs 1, 2, 3, 4, 5, 6 and 11, and not including any circumstances by which all or any part of the Lands may have escheated to the Crown.

2. The reservations, limitations, provisos and conditions expressed in the grant from the Crown.

3. Any registered easements or rights of way in favour of any Governmental Entity or public utility provided that none of the foregoing interferes in any material adverse respect with the current use or value of the Property and provided that there is no default thereunder known to the Vendor.

4. All registered easements and rights-of-way to which the Property is subject to or has the benefit of and all other rights registered against title to the Property at Closing.

5. Inchoate liens for realty taxes, rates, utility charges, assessments or governmental charges or levies that have accrued but are not yet due and payable.

6. All registered agreements with the municipality or other governmental body or with any public or private utility supplier, including for utilities and services for hydro, water, heat, power, sewer and telephone serving the Property, subdivision agreements, site plan agreements, and development agreements, provided none of the foregoing interferes in any material adverse respect with the current use or value of the Property, and provided that there is no default thereunder known to the Vendor.

7. Zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, municipal or other governmental bodies or regulatory authorities.

8. The New Heritage Lease.

Specific Permitted Encumbrances

PIN 64229-0014 (LT)

1) Transfer Easement SN357644
2) Transfer Easement SN357645
3) Transfer Easement SN357646
4) Notice of Site Plan Agreement SN546654
5) Charge SN667718
6) Notice of Assignment of Rents – General SC667719
7) Notice SN696063
8) Notice SN743821

PIN 64229-0175 (LT)

1) By-Law BB50775
2) Order BB99942
3) By-Law RO106181
4) Order RO110929
5) Restrictive Covenant RO413315Z
6) Transfer Easement SN357645
7) Land Registrar Order SN363712
8) Notice of Site Plan Agreement SN546654
9) Charge SN667718
10) Notice of Assignment of Rents – General SC667719
11) Notice SN696063
12) Notice SN743821

SCHEDULE "C"
FORM OF HST CERTIFICATE

TO:	**333 JARVIS REALTY INC.** (the "**Vendor**")
RE:	Agreement of purchase and sale made as of September ____, 2023 between **BJK DEVELOPMENTS LTD.,** (the "**Purchaser**"), as purchaser, and the Vendor, as vendor (the "**Purchase Agreement**"), for the purchase and sale of the lands and premises legally described in PIN 64229-0014 & 64229-0175 (LT) (collectively, the "**Property**")
DATE:	__________________, 2023

Capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

IN CONSIDERATION of the completion of the transaction set out in the Purchase Agreement, the undersigned hereby certifies and agrees as follows:

a) the Property is being purchased by the Purchaser as principal for its own account and not as an agent, trustee or otherwise on behalf of or for another person;

b) the Purchaser is registered under Subdivision d of Division V of Part IX of the *Excise Tax Act* (Canada) (the "**Act**") for the collection and remittance of harmonized sales tax ("**HST**") and its registration number is __________________ and such registration is in good standing and has not been varied, cancelled or revoked;

c) the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Governmental Entity, all HST which is payable under the Act in connection with the transfer of the Property made pursuant to the Purchase Agreement, all in accordance with the Act; and

d) the Purchaser shall indemnify and save harmless each Vendor from and against any and all HST, penalties, costs and/or interest which may become payable by or be assessed against such Vendor as a result of any inaccuracy, misstatement or misrepresentation made by the Purchaser in connection with any matter contained in this Certificate and Indemnity.

This Certificate and Indemnity may be executed and delivered by electronic means.

[Signature Page to Follow]

[●]

Per: ____
Name:
Title:

Per: ____
Name:
Title:

SCHEDULE "D"
VENDOR DELIVERABLES

1. True copies of a Phase 1 environmental investigation report;

2. True copies of any studies, tests, audits, surveys, investigations, reports (including environmental, geotechnical and soils reports), plans, service records, and other information concerning the Property, to the extent in the possession or control of the Vendor;

3. Any material correspondence with any Governmental Entity in respect of the use and/or operation of the Property (including with respect to existing Environmental Compliance Approvals);

4. copies of the following, or acknowledgment that none exist: (i) any Contracts, including a list of all suppliers and addresses; (ii) any Warranties; and (iii) any Leases, to the extent in the possession or control of the Vender;

5. a list describing all Personal Property, or acknowledgement none exist;

6. a list of any fixed equipment, improvements, Chattels or fixtures located on, in or under the Lands, which are not owned or leased by the Vendor;

7. all building plans and specifications of the Building as built and other improvements to be built within the Property, together with any plans/proposals/renderings for these Building and any expansion to the Building to the extent in the possession or control of the Vendor;

8. up-to-date surveys showing the location of the Building and other improvements presently situated thereon and planned and all easements and rights-of-way thereon and any encroachments on or affecting the Property prepared by a qualified Land Surveyor, to the extent in the possession of the Vendor;

9. copies of any unregistered agreements with, and permits and licenses from Governmental Entities or owners of adjoining lands relating to the development or operation of the Property, or the construction of the Building to the extent in the possession or control of the Vender; and

10. any operating, property and security manuals with respects to the Chattels or Building, and the fixtures and systems located within, thereon and thereunder, to the extent in the possession or control of the Vender.

SCHEDULE "E"
OPTION AGREEMENT

[ATTACHED]

Option to Purchase

This Option to Purchase (this "**Agreement**") dated October 31, 2023 (the "**Effective Date**").

BETWEEN:

BJK DEVELOPMENTS LTD., a corporation incorporated under the laws of the Province of British Columbia,

(the "**Optionor**")

- and-

333 JARVIS REALTY INC., a corporation incorporated under the laws of the Province of Ontario,

(the "**Optionee**")

RECITALS:

A. **WHEREAS** the Optionor is the owner of the lands and premises in municipally known as 333 Jarvis Street, Fort Erie, Ontario, and legally described in Schedule A attached to this Agreement (the "**Optioned Property**") having purchased the Optioned Property from the Optionee pursuant to the Purchase Agreement;

B. **AND WHEREAS** it is a condition of the Purchase Agreement that the Optionor grant the Optionee an option to purchase the Optioned Property on the terms and conditions set forth in this Agreement.

C. **NOW THEREFORE** in consideration of the Optionee transferring the Optioned Property to the Optionor pursuant to the Purchase Agreement, the Option Price, the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

ARTICLE I
Definitions

Section 1.01 Definitions.

The following terms have the meanings specified or referred to in this Section 1.01:

“**Adjustment Factor**” means an amount equal to interest on $6,877,320 accruing at the greater of 15% and the Prime Rate plus 10%, provided that if the Prime Rate plus 10% is greater than the maximum interest rate permitted under the Interest Act then the interest will be calculated at the maximum interest rate permissible under the Interest Act, calculated monthly and accruing daily from the Effective Date to the Closing Date.

“Borrowers” means Heritage Cannabis Holdings Corp., Heritage, 333 Jarvis Realty Inc., 5450 Realty Inc., and Heritage Cannabis West Corporation.

“**BC Optionee**” means 5450 Realty Inc., a corporation incorporated under the laws of the Province of British Columbia with a registered and records office address of 301- 1665 Ellis Street, Kelowna, BC V1Y 2B3.

“**BC Option**” means the option agreement between the BC Optionee, as optionee, and the Optionor made as of the 31st day of October, 2023, whereunder the BC Optionee was granted the option to purchase the BC Property on the terms and conditions therein contained.

“**BC Property**” means the lands and premises located at 5450 Highway 97, Falkland, British Columbia V0E 1W1, which are legally described as follows:

Parcel Identifier: 004-553-357

THAT PART OF THE SOUTHWEST 1/4 OF SECTION 1 SHOWN ON AMENDED PLAN B814 (DD 238383F); TOWNSHIP 18 RANGE 12 WEST OF THE 6TH MERIDIAN KAMLOOPS DIVISION YALE DISTRICT EXCEPT PLANS 13176 AND KAP75817;

"**Business Day**" means any day of the week excluding Saturday, Sunday, and statutory holidays in the province in which the Optioned Property is situate.

"**Closing Date**" means that day which is thirty (30) days following the date on which the Option Notice is properly given in accordance with Section 2.03 of this Agreement, or such other date as may be agreed upon in writing by the Optionor and Optionee.

"**Effective Date**" means the date of this Agreement written at the top of the first page of this Agreement.

“Guarantors” means 1005477 B.C Ltd., Purefarma Solutions Inc., Heritage Cannabis Exchange Corp.

“Loan” means the loan granted by BJK Holdings Ltd. to the Borrowers, as guaranteed by the Guarantors, pursuant to a loan agreement dated March 29, 2021, between BJK Holdings Ltd., the Borrowers and the Guarantors, as amended from time to time to the date hereof, and as further amended by the Third Amending Credit Agreement.

"**Governmental Authority**" means any domestic or foreign government, including any federal, provincial, state, territorial or municipal government, and any government agency, tribunal, commission or other authority exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, in each case, having jurisdiction

“**Heritage**” means Heritage Cannabis East Corporation, a corporation incorporated under the laws of the Province of Ontario with its Registered and Records office at 20 Holly Street, Suite 300, Toronto, Ontario Canada M4S 3B1.

“**Heritage Lease**” means the lease dated for reference 31st day of October 2023, between Heritage, as tenant, and the Optionor, as landlord for the Optioned Property municipally known as 333 Jarvis Street, Fort Erie, Ontario.

“**Interest Act**” means the Canada *Interest Act* RSC, 1985 c. I-15.

"**Option**" means the option to purchase in Section 2.01 of this Agreement.

"**Option Notice**" means a written notice from the Optionee to the Optionor exercising the Optionee's Option in accordance with this Agreement.

"**Option Price**" means the amount of ten dollars ($10.00).

"**Option Term**" means the time period commencing on the Effective Date and expiring on two (2) years after the Effective Date, unless terminated earlier in accordance with the terms of this option agreement.

"**Optioned Property**" has the meaning given to it in the first recital.

"**Optionee**" has the meaning given to it in the introductory paragraphs of this Agreement.

"**Optionor**" has the meaning given to it in the introductory paragraphs of this Agreement.

"**Permitted Encumbrances**" means collectively:

i. reservations, if any, in Crown Patent;

ii. road widening/expropriation convey to or expropriated by any Governmental Authority;

iii. rights of way and easements to which the Optioned Property are subject as more particularly described in the legal description and on title thereof;

iv. any Permitted Encumbrances under the Purchase Agreement; and

v. each of those items registered on title to the Optioned Property as of the date of the Purchase Agreement which are not to be discharged as set forth under the Purchase Agreement.

"**Purchase Agreement**" means the agreement of purchase and sale in respect of the Optioned Property dated for reference 30th day of October 2023, between Optionee, as vendor, and the Optionor, as purchaser.

"**Purchase Price**" means six million eight hundred seventy seven thousand three hundred twenty dollars ($6,877,320) *plus* the Adjustment Factor, *plus* any amounts outstanding as of the Closing Date owed by the Borrowers under the Loan for facility #5, as such facility is further set forth under the Loan.

"**Third Amending Credit Agreement**" means the third loan amending agreement made as of the 31st day of October, 2023, among BJK Holdings Ltd., as lender, the Borrowers, as borrowers, and the Guarantors, as guarantors.

ARTICLE II
Option to Purchase

Section 2.01 Grant of Option. In consideration of payment of the Option Price by the Optionee to the Optionor, the receipt of which is hereby acknowledged by the Optionor, the Optionor hereby grants to the Optionee an option, during the Option Term, to purchase the Optioned Property for the Purchase Price free and clear of all claims, charges, liens and encumbrances, except for the Permitted Encumbrances, and on the terms and conditions in this Agreement.

Section 2.02 Intentionally deleted.

Section 2.03 Exercise of Option. The Optionee may exercise the Option at any time during the Option Term by sending the Option Notice to the Optionor in accordance with the notice provision in Section 6.01 of this Agreement.

Section 2.04 Purchase Agreement. Upon proper exercise of the Option during the Option Term in accordance with this Agreement, this Agreement together with the Option Notice shall constitute a binding agreement of purchase and sale between the Optionor, as vendor, and Optionee, as purchaser for the sale by the Optionor and purchase by the Optionee of the Optioned Property for the Purchase Price, to be completed on the terms and conditions in ARTICLE III of this Agreement.

Section 2.05 Lapse of Option. If the Optionee does not properly exercise the Option in the manner described in this Agreement during the Option Term, this Agreement, including, without limitation, the Option, shall automatically terminate as of 5:00 p.m. (in the local time where the Optioned Property is situated) on the last day of the Option Term, the Optionor shall be entitled to retain the Option Price and neither party shall have any further obligations under this Agreement except for those that expressly survive termination or expiry of this Agreement.

Section 2.06 Option Condition. Notwithstanding anything else herein contained, the Optionee agrees that the Option shall terminate and be of no further force and effect if:

(a) Heritage, as tenant, commits an act of default under the Heritage Lease, whether or not notice was given and whether or not such act of default was cured as set forth therein: or

(b) the Heritage Lease is terminated or expires for any reason whatsoever.

It is a further condition that the Option is only exercisable if the BC Optionee exercises the option under the BC Option simultaneously.

ARTICLE III
AGREEMENT

Section 3.01 Conditions to Closing. The obligation of the Optionee to complete the purchase of the Optioned Property and to pay the Purchase Price is subject to:

(a) the representations and warranties of the Optionor contained in Section 5.01 being true on the Closing Date with the same force and effect as if made as of the Closing Date; and

(b) the covenants of the Optionor contained in Section 5.02 having been fulfilled on the Closing Date.

Section 3.02 Non-Fulfillment. Despite the non-fulfillment of the conditions in Section 3.01, the Optionee may, at its sole option, complete the purchase of the Optioned Property without prejudice to the Optionee's rights against the Optionor, whether at law or in equity, in respect of such non-compliance.

Section 3.03 Reliance and Survival. The Optionor acknowledges that the Optionee is relying on each of the representations and warranties made by the Optionor in Section 5.01, all of which shall survive the Closing Date.

Section 3.04 Closing Documents. The Optionor will cause its solicitors to prepare and deliver to the Optionee on the Closing Date a registrable Transfer of the Option Property (including completion of Planning Act (Ontario) statements of the Transferor and the Transferor's Solicitor), a statement of adjustments and such other documents as the Optionee may reasonably require to complete the transfer of the Optioned Property in accordance with this Agreement.

Section 3.05 Adjustments. All adjustments concerning property taxes, utilities, fuel, rents and other revenue and expense items normally adjusted between a seller and buyer in respect of similar lands and improvements will be made in respect of the Optioned Property Lands as at the Closing Date, with the Optionor receiving all revenues and bearing all expenses for the period prior to the Closing Date and the Optionee receiving all revenues and bearing all expenses from and including the Closing Date.

Section 3.06 Closing Procedure. The purchase and sale of the Optioned Property in accordance with this Agreement (including the delivery of the Purchase Price and the exchange of closing documents on the Closing Date) shall be completed in accordance with standard practices for commercial real estate transactions in the province in which the Optioned Property is situation.

Section 3.07 Title. Upon closing in accordance with Section 3.06, the Optionor will transfer to the Optionee possession of, and good and marketable fee simple title to, the Optioned Property free and clear of all mortgages, liens, charges, pledges and other encumbrances except for the Permitted Encumbrances and the Heritage Lease.

Section 3.08 Expenses. Optionor and the Optionee shall each be responsible for their own fees and other charges incurred in connection with this Agreement and the consummation of the transactions contemplated herein, but that Optionee shall be responsible for Optionor’s solicitors legal fees and shall make such payment on the Closing Date by wire transfer to the Optionor or it the Optionor’s solicitors as the Optionor may direct. The Optionee shall pay all registration fees and land transfer taxes in connection with the transfer of the Optioned Property to the Optionee on the Closing Date.

ARTICLE IV
Additional Rights During Option Term

Section 4.01 Licence for Early Access. In consideration of the payment of the Option Price, the Optionor hereby grants to the Optionee a licence, upon exercise of the Option Notice until the Closing Date or unless terminated or expired in accordance with this Agreement, for it and its authorized representatives to enter upon the Optioned Property from time to time during business hours to carry out, at the Optionee's expense, such tests and inspections of the Optioned Property as the Optionee or its authorized representatives may deem necessary provided that the Optionee shall promptly repair any resulting property damage. The Optionee's obligation to repair in this section shall survive the expiry or earlier termination of this Agreement.

Section 4.02 Optionor's Chargees or Mortgagees. The Optionor covenants and agrees that if the Optioned Property is subject to an existing charge or mortgage on the Effective Date that has priority over this Agreement, to provide from each such prior mortgagee or chargee on the Effective Date a registered postponement of such charge or mortgage to this Agreement.

ARTICLE V
Representations and Warranties

Section 5.01 Optionor's Representations and Warranties. The Optionor represents and warrants to the Optionee that, on the Effective Date and, if the Option is properly exercised, on the Closing Date:

(a) It is a duly incorporated corporation under the laws of the Province of British Columbia and is in good standing and has capacity to enter into this Agreement and to carry out the transactions contemplated in this Agreement, all of which have been effectively authorized by all required corporate proceedings.

(b) It is the registered and beneficial owner of the Optioned Property with good and marketable title thereto free and clear of all claims, liens, charges and encumbrances except for the Permitted Encumbrances.

(c) It is not a non-resident of Canada within the meaning and intended purpose of section 116 of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

(d) No building or structure on the Property is or has ever been occupied by a shareholder, officer, or director of the Optionor as a matrimonial home within the meaning of the *Family Law Act*, R.S.O. 1990, c. F.3.

(e) The Optionor has not received notice of and is not aware of any threatened or pending expropriation of all or any part of the Optioned Property.

(f) There are no actions, suits or proceedings pending or threated against the Optioned Property or the Optionor that would materially affect the Optioned Property.

Section 5.02 Optionor's Covenants. The Optionor shall:

(a) maintain in good standing sufficient insurance coverage of a reasonable owner in respect of the Optioned Property and any improvements thereon until the Closing Date; and

(b) grant authorizations reasonably requested by the Optionee to authorize municipal and other similar authorities to release information regarding the Optioned Property (provided that such authorization shall not permit any governmental inspection of the Optioned Property).

Section 5.03 Optionee's Representations and Warranties. The Optionee represents and warrants, that on the Effective Date and, if the Option is properly exercised, on the Closing Date:

(a) It has the corporate authority and capacity to enter into this Agreement and to carry out and complete the transactions contemplated by this Agreement.

(b) This Agreement has been duly authorized, executed, and delivered by it.

ARTICLE VI
Notice

Section 6.01 Notice. All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement shall be in writing and shall be deemed to have been delivered, given, and received: (a) on the date of delivery when delivered by hand (with written confirmation of receipt); (b) on the date of receipt by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid; (d) upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment) if sent by email between 9:00 a.m. and 6:00 p.m. on a Business Day, and on the next Business Day if sent after those hours or not on a Business Day. All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement must be sent to the respective parties at the addresses indicated below (or at such other address for a party as shall be specified in a notice given in accordance with this Section 6.01):

To the Optionor:	BJK Developments Ltd. 238 22nd Street N. Lethbridge, Alberta T1H 3R7 Attention: [*Redacted – Personal Information*] Email: [*Redacted – Personal Information*]
With a copy to:	[*Redacted – Personal Information*] [*Redacted – Personal Information*] [*Redacted – Personal Information*] Attention: [*Redacted – Personal Information*] Email: [*Redacted – Personal Information*]
To the Optionee:	333 JARVIS REALTY INC. Attention: David Schwede Email: [*Redacted – Personal Information*]
With a copy to:	[*Redacted – Personal Information*] [*Redacted – Personal Information*] [*Redacted – Personal Information*] Attention: [*Redacted – Personal Information*] Email: [*Redacted – Personal Information*]

ARTICLE VII
Transferability

Section 7.01 Transferability by Optionee. The Optionee may not assign or transfer all or part of this Agreement or delegate its obligations under this Agreement without the prior written consent of the Optionor, which may be unreasonably withheld at Optionor's sole and absolute discretion.

Section 7.02 Transferability by Optionor. The Optionor agrees that if it transfers the fee simple interest in all or part of the Optioned Property, at the same time as the transfer it will assign this Agreement to its transferee and obtain a written agreement or covenant from its transferee agreeing in favour of the Optionee to be bound by and assuming all the Optionor's obligations in this Agreement. Upon the transfer and delivery of such assumption agreement, the Optionor shall be relieved of all liability under this Agreement with respect to the portion of the Optioned Property transferred to its transferee in the assumption agreement.

Section 7.03 Successors and Assigns. This Agreement shall be binding upon and enure to the benefit of the Optionor and the Optionee, and their respective successors and assigns.

ARTICLE VIII
Planning Act Condition

Section 7.01 Planning Act Condition. This Agreement, including without limitation the Purchase Agreement if the Option is properly exercised, shall be effective to create an interest in the Optioned Property for the Optionee only if Part VI of the *Planning Act*, R.S.O. 1990, c. P.13, is complied with by the Optionee prior to the Closing Date. If consent under the *Planning Act* is required for the Option, the Option Term shall be deemed to be twenty-one (21) years less one (1) day if and until such consent is obtained. If the Option is properly exercised and consent under the *Planning Act* is required to transfer the Optioned Property, then the Optionee shall forthwith apply to the applicable Governmental Authority and use its reasonable commercial efforts to obtain, prior to the Closing Date and at its own expense, any necessary consents pursuant to such Part VI and to satisfy all conditions of such consent. the Optionor shall co-operate with the Optionee in such applications provided that the Optionor shall not be required to convey or re-zone the Optionor's retained land or any other land owned by the Optionor or expend any money to obtain the consent or satisfy conditions. In the event that by the Closing Date, a registrable and signed Certificate of Consent has not been issued by the applicable approval authority evidencing that a final, binding and unappealable consent to sever has been granted with all conditions of consent satisfied, then this Agreement shall terminate, the Option Price shall be returned to the Optionee without interest or deduction and neither party shall have any further obligations under this Agreement except for those that expressly survive termination or expiry of this Agreement.

ARTICLE IX
Miscellaneous

Section 9.01 Registration and Discharge of Option. The Optionee, at Optionee's expense (including without limitation applicable land transfer taxes), may register this Agreement or notice of this Agreement on title to the Optioned Property, and the Optionor shall execute or obtain any documents reasonably required to effect same, upon reasonable request from the Optionee, including the delivery of postponement referenced in Section 4.02. The Optionee, at the Optionee's expense, agrees to promptly delete such registration from title to the Optioned Property if the Option is not exercised upon the expiration or termination of the Option.

Section 9.02 Risk and Insurance. During the Option Term and if the Option is exercised, until the Closing Date, the buildings on the Optioned Property shall remain at the risk of the Optionor, and the Optionor shall maintain insurance for the Optioned Property and hold all such insurance policies and the proceeds thereof in trust for the Optionor and Optionee as their interests may appear. Pending completion (before or after the Option is exercised), if the Optioned Property is substantially damaged, the Optionee may either terminate this Agreement and have the Option Price and any other money paid by it under this Agreement returned to it without interest or deduction or the Optionee may elect to take the proceeds of insurance and complete the purchase without an abatement of the Option Price or Purchase Price for the substantial damage.

Section 9.03 Time of the Essence. Time shall in all respects be of the essence in this Agreement.

Section 9.04 Further Assurances. Each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 9.05 Amendments. No amendment or modification of this Agreement shall be binding unless in writing and signed by all the parties to this Agreement.

Section 9.06 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by email, or other means of electronic transmission (DocuSign, PDF, or eSignature) is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 9.07 Governing Law. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario, and the federal laws of Canada applicable therein.

Section 9.08 Entire Agreement. This Agreement, including without limitation the Purchase Agreement, constitutes the entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

[SIGNATURE PAGE FOLLOWS]

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

OPTIONOR:

BJK DEVELOPMENTS LTD.

By: ______________________________

Name: [*Redacted – Personal Information*]

Title: A.S.O.

OPTIONEE:

333 JARVIS REALTY INC.

By: ______________________________

Name: David Schwede

Title: Director

SCHEDULE A

Optioned Property

Legal Description:

PIN 64229-0014(LT):

PT LT 25 S/S JARVIS ST PL 348 BERTIE; PT LT 26 S/S JARVIS ST PL 348 BERTIE; PT LT 27 S/S JARVIS ST PL 348 BERTIE; PT LT 28 S/S JARVIS ST PL 348 BERTIE PARTS 1,2,3,4,5,6,7,8,9 ON 59R14734; SUBJECT TO AN EASEMENT OVER PT LT 25 S/S JARVIS ST PL 348 BERTIE, BEING PTS 3, 4 & 8 59R14734 IN FAVOUR OF PTS 11-30, 33-41, 42 & 43 59R14734 AS IN SN357644; SUBJECT TO AN EASEMENT OVER PT LT 25 S/S JARVIS ST PL 348 BERTIE, BEING PT 9 59R14734 IN FAVOUR OF PTS 11-30, 33-41, 42 & 43 59R14734 AS IN SN357645; SUBJECT TO AN EASEMENT OVER PT LT 25 S/S JARVIS ST PL 348 BERTIE, BEING PTS 2, 3 & 6 59R14734 IN FAVOUR OF PTS 11-30, 33-41, 42 & 43 59R14734 AS IN SN357646; TOGETHER WITH AN EASEMENT OVER PTS 11-26, 33-36, 38, 39, 41 & 43 59R14734 AS IN SN357650; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 12, 13, 15, 20, 22 & 28 59R14734 AS IN SN357651; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 17, 25, 30, 34 & 39 59R14734 AS IN SN357652; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 33, 34, 35 & 37 59R14734 AS IN SN357653; TOWN OF FORT ERIE

PIN 64229-0175(LT)

LT 6 W/S CROOKS ST PL 348 BERTIE; LT 29 S/S JARVIS ST PL 348 BERTIE; LT 30 S/S JARVIS ST PL 348 BERTIE; PT LT 7 CON 1 NIAGARA RIVER BERTIE; PT LT 7 CON 2 NIAGARA RIVER BERTIE; PT LT 24 S/S JARVIS ST PL 348 BERTIE; PT LT 25 S/S JARVIS ST PL 348 BERTIE; PT LT 26 S/S JARVIS ST PL 348 BERTIE; PT LT 27 S/S JARVIS ST PL 348 BERTIE; PT LT 28 S/S JARVIS ST PL 348 BERTIE; PT RDAL BTN CON 1 & 2 NIAGARA RIVER BERTIE; PT CROOKS ST PL 348 BERTIE CLOSED BY RO443035 BEING PTS 10, 31 AND 32 59R14734; SUBJECT TO AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PT 32 59R14734 IN FAVOUR OF PTS 11- 30, PTS 33-41, PTS 42-43 59R14734 AS IN SN357645; TOGETHER WITH AN EASEMENT OVER PTS 11-26, 33-36, 38-39, PT 41 & PT 43 59R14734 AS IN SN357650; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 12, 13, 15, 20, 22 & 28 59R14734 AS IN SN357651; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 17, 25, 30, 34 & 39 59R14734 AS IN SN357652; TOGETHER WITH AN EASEMENT OVER PT LT 24 S/S JARVIS ST PL 348 BERTIE, BEING PTS 33-35 & 37 59R14734 AS IN SN357653; TOWN OF FORT ERIE

Municipal Addresses:

333 Jarvis Street, Fort Erie, Ontario