

PURCHASE AGREEMENT

THIS AGREEMENT dated this 14th day of October 2020.

BETWEEN:

SYNERGENETICS BIOSCIENCE INC., a corporation existing under the laws of the Province of British Columbia
(the "**Seller**")

- and -

RMMI CORP., a corporation existing under the laws of the Province of Alberta
(the "**Buyer**")

WHEREAS the Seller cultivates and holds a licence for the production of industrial hemp;

AND WHEREAS the Buyer is in the business of processing and extraction of hemp biomass into CBD concentrates;

AND WHEREAS whereby the Buyer desires to purchase hemp biomass from the Seller and satisfy the purchase price, in part, through the issuance of Common Shares in the capital of the Buyer (the "**Transaction**");

AND WHEREAS the Buyer and the Seller wish to set out the terms of the Transaction;

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

ARTICLE 1 INTERPRETATION

1.1 Defined Terms - In this Agreement, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have the corresponding meanings:

- (a) "**Affiliate**" has the meaning set out in the *Business Corporations Act* (Alberta);
- (b) "**Agreement**" means this Purchase Agreement, including all Schedules to this Purchase Agreement, as amended, supplemented, restated and replaced from time to time in accordance with its provisions;
- (c) "**Applicable Law**" means (a) any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation or by-law (zoning or otherwise); (b) any judgement, order, writ, injunction, decision, ruling, decree or award; (c) any regulatory policy, practice, protocol, guideline or directive; or (d) any franchise, licence, qualification, authorization, consent, exemption, waiver, right, permit or other approval, in each case, of any Governmental Authority and having

the force of law, binding on or affecting the Party referred to in the context in which the term is used or binding on or affecting the property of such Party;

- (d) "**Batch**" has the meaning set out in Section 8.1(b);
- (e) "**Business Day**" means any day other than a Saturday or Sunday or any other day which is a statutory or civic holiday or a day on which banking institutions are closed in Vancouver, British Columbia or Calgary, Alberta;
- (f) "**Buyer**" has the meaning set out in the recitals to this Agreement;
- (g) "**Buyer's Premises**" means 37 Martin Way, County of Newell, Alberta, T1R 1C4 or such other place as determined by the Buyer, at its sole discretion;
- (h) "**CBD**" means cannabidiol;
- (i) "**Closing Date**" means the date no less than five (5) Business Days after the date the Seller has Delivered to the Buyer a minimum of 500,000 lbs of Hemp Biomass or such other date as the parties may mutually agree upon;
- (j) "**COA**" means a certificate of analysis from a laboratory that has been duly authorized and licensed by Health Canada;
- (k) "**Common Shares**" means the common shares in the capital of the Corporation;
- (l) "**Contingent Consideration**" has the meaning set out in Section 3.1(b)
- (m) "**CSE**" means the Canadian Securities Exchange;
- (n) "**Deliver**" means delivery of the Hemp Biomass to the Buyer at the Buyer's Premises or as otherwise directed by the Buyer along with a COA for the delivered Hemp Biomass that is acceptable to the Buyer, and "**Delivery**" and "**Delivered**" have comparable meanings;
- (o) "**Dispute**" has the meaning set out in Section 18.1;
- (p) "**Dispute Resolution Procedures**" has the meaning set out in Section 18.1;
- (q) "**Excise Tax**" or "**Excise Taxes**" means any sales taxes, excise taxes, goods and services taxes, harmonized sales taxes, value added taxes, transactional taxes and similar Taxes (other than income or capital gains taxes);
- (r) "**Encumbrances**" means any lien, charge, hypothec, pledge, mortgage, title retention agreement, covenant, condition, lease, license, security interest of any nature, claim, exception, reservation, matter capable of registration against title, option, assignment, right of pre-emption, royalty, right, privilege or any other encumbrance or title defect of any

nature whatsoever, regardless of form, whether or not registered or registrable and whether or not consensual or arising by any Applicable Law, and includes any contract to create any of the foregoing;

- (s) **"Governmental Authorities"** means any municipal, regional, provincial or federal governments and their agencies, authorities, branches, departments, commissions or boards, having or claiming jurisdiction over the Party or its assets referred to in the context in which such word is used, and **"Governmental Authority"** shall mean any one of the Governmental Authorities as the context requires;
- (t) **"Hemp Biomass"** means a minimum of 1,100,000 lbs. up to 2,200,000 lbs. of coarse milled hemp biomass or hemp flower with a minimum CBD content of ■% per bulk (1,000 lbs.) bag;
- (u) **"Indemnified Person"** has the meaning set out in Section 15.1;
- (v) **"Indemnifier"** has the meaning set out in Section 15.1;
- (w) **"kg"** means kilograms;
- (x) **"Losses"** means damages, fines, penalties, deficiencies, losses, liabilities, including settlements and judgments, costs and expenses of any kind, character or description (including payments, refunds and delivery of additional goods and/or services, interest, reasonable fees and expenses of legal counsel, or other professionals);
- (y) **"Mediation Termination"** has the meaning set out in 18.1(b);
- (z) **"Parties"** means the Seller and the Buyer collectively, and **"Party"** means either of them as the context requires;
- (aa) **"Payment Shares"** has the meaning set out in Section 3.1;
- (bb) **"Private Placement"** means a private placement of Common Shares by the Buyer for gross aggregate proceeds of up to \$2,000,000 with an option for an overallotment of up to 50%.
- (cc) **"Purchase Price"** has the meaning set out in Section 3.1(a);
- (dd) **"Quality Notice"** has the meaning set out in Section 9.1;
- (ee) **"Seller"** has the meaning set out in the recitals to this Agreement;
- (ff) **"Tax"** or **"Taxes"** means any federal, provincial, territorial, state or local income, goods and services, harmonized sales, value added, corporation, transfer, licence, payroll, excise, sales, use, capital, withholding or other tax, levy, duty, assessment, reassessment or other charge of any kind whatsoever, whether direct or indirect, including any interest and penalty or other addition to or on any of the foregoing, whether disputed or not, imposed by a Governmental Authority, and for greater certainty includes Canada Pension Plan and employment insurance premiums.

1.2 Rules of Construction

In this Agreement:

- (a) Headings are inserted for the convenience only and are not to be considered when interpreting this Agreement.
- (b) Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.
- (c) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (d) references to an "Article", "Section" or "Schedule" followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement;
- (e) unless otherwise indicated, any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (f) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; and
- (g) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time.

1.3 Currency - Unless otherwise indicated, all dollar amounts in this Agreement are expressed in Canadian dollars.

1.4 Schedules - The following Schedule is attached to and forms an integral part of this Agreement:

Schedule "A" - Product Specifications

ARTICLE 2 SALE OF HEMP BIOMASS

2.1 The Seller will sell, convey and transfer to the Buyer the Hemp Biomass for the Purchase Price payable by the Buyer to the Seller, on the terms and conditions set forth in this Agreement.

ARTICLE 3 PURCHASE PRICE

3.1 The purchase price payable by the Buyer to the Seller for the Hemp Biomass shall be payable by the Buyer to the Seller, and which shall be satisfied by:

- (a) the Buyer allotting and issuing to the Seller, or to such third party as directed by the Seller to the Buyer in writing, a maximum of 22,000,000

Common Shares (the "**Payment Shares**") in accordance with Section 11.1(a) herein. The Payment Shares shall be issued at a price equal to the five-day volume weighted average of RMMI Corp.'s share price on the CSE for the five days immediately preceding the date of this Agreement and will be issued as fully paid and non-assessable shares duly registered in the name of the Seller, or to such third party as directed by the Seller. Once the Buyer has Accepted Ownership (as defined under Section 4.1) of a minimum of 500,000 lbs of Hemp Biomass in the manner set forth under Section 4.1, the Buyer shall issue Payment Shares for each 10,000 lbs. of Hemp Biomass ("**Biomass Batch**") Delivered as follows:

- (i) For the initial 300,000 lbs of Hemp Biomass: [REDACTED] Payment Shares per Biomass Batch;
- (ii) for the next 1,000,000 lbs of Hemp Biomass: [REDACTED] Payment Shares per Biomass Batch; and
- (iii) for the next 900,000 lbs of Hemp Biomass: [REDACTED] Payment Shares per Biomass Batch.

Such Payment Shares shall be issued within five (5) Business Days of the Closing Date; and

- (b) up to \$13,600,000.00 (the "**Contingent Consideration**") shall be satisfied by the Buyer paying to the Seller:
 - (i) [REDACTED] per kg of hemp concentrate sold that is processed by the Buyer (the "**RMMI Processed Product**");
 - (ii) [REDACTED] of Net Margin for each kg of hemp concentrate sold that is processed by a third-party to a maximum of [REDACTED] per kg ("**Net Margin**" means revenue received per kg of hemp concentrate less total third-party processing costs and biomass cost at price of [REDACTED] per kg)(the "**Third Party Processed Product**");
 - (iii) [REDACTED] per kg for Hemp Biomass sold unprocessed (the "**Unprocessed Product**") assuming that the CBD content of the Hemp Biomass by volume (per 1,000 lbs. bag) is a minimum of [REDACTED] %.

If the Hemp Biomass by volume (per 1,000 lbs. bag) is: (a) between [REDACTED], then the Seller shall receive [REDACTED] % of the Contingent Consideration per kg; and (b) between [REDACTED] %, then the Seller shall receive [REDACTED] % of the Contingent Consideration per kg of the RMMI Processed Product, the Third Party Processed Product and the Unprocessed Product.

such amounts being due and payable by the Buyer to the Seller on or before five (5) Business Days of the date of when the Buyer has received payment from the sale of the RMMI Processed Product, the Third Party Processed Product or the Unprocessed Product, as applicable.

- 3.2 The Payment Shares shall be subject to a voluntary contractual resale restriction and shall be released for resale as follows:

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

- 3.3 The Purchase Price referred to herein shall be plus all applicable Excise Taxes, if applicable. Subject to the foregoing, the Seller and the Buyer shall not have any responsibility for any Taxes imposed on the other Party by any Governmental Authority.
- 3.4 Subject to the fulfilment of all the terms and conditions hereof, including approval of regulatory authorities, the legal and beneficial title to the Hemp Biomass shall transfer and vest in the Buyer effective as of the Closing Date.
- 3.5 Buyer agrees to maintain complete and accurate records in accordance with generally accepted accounting principles with respect to matters necessary for accurately determining amounts due hereunder. The records of the Buyer shall be *prima facie* evidence of amounts due hereunder.
- 3.6 the Seller and its authorized representatives shall have the right, exercisable on at least 5 Business Days notice to the Buyer, to audit, examine, and make copies of, or take extracts from, all financial and related records (in whatever form they may be kept, whether written, electronic, or other):
- (a) kept by or under the control of the Buyer; and
 - (b) relating to or pertaining to this Agreement and any calculations required to be made hereunder, including the the Seller Seed Cash Royalty.
- 3.7 the Seller shall only be entitled to perform such audits a maximum of 2 times per year, unless the Seller's audits during that year show material discrepancies between the Buyer's record presented to the Seller and the Seller's audit result, upon which the Seller may perform audits once per quarter of the Term.
- 3.8 Audits shall be conducted in a manner so as reasonably not to interfere with the Buyer's operations.
- 3.9 The purpose of any examination conducted under this section shall be limited to the Seller to confirming the accuracy of the information provided by the Buyer to the Seller

relating to the Contingent Consideration and the calculations of amounts owing by the Buyer to the Seller hereunder.

- 3.10 In the event any audit examination reveals that the amounts paid by the Buyer to the Seller hereunder were incorrect, the Seller shall present its findings to the Buyer and the Buyer shall have 15 Business Days to either agree that the adjustments identified by the Seller are required to be made or to deliver a written notice of objection to the Seller setting forth the Buyer's reasons for disagreeing with the Seller's calculations. In the event no notice of objection is delivered within such 15 Business Day period, the Buyer will be deemed to have accepted the Seller's findings and payments shall be made to effect such adjustments immediately by the Buyer or the Seller, who is obligated to make such payments.
- 3.11 In the event the Buyer objects to the Seller's proposed adjustments and the Seller and the Buyer are unable to settle such dispute, the matter shall be referred for determination to a national accounting firm (acceptable to each Party, acting reasonably) which is not then engaged as auditor or advisor by either the Seller or the Buyer, or any affiliates of either party. The determination of any required adjustments by such accounting firm shall be final and binding on both Parties and the costs associated with such determination shall be shared by the Parties equally, unless the audit reveals a discrepancy of less than 5% of amounts actually paid the Seller or the aggregate adjustment is less than \$5,000.00, in which case the cost of the audit shall be borne by the Seller. The Party obligated to make any payments to rectify the errors identified hereunder shall make such payments immediately upon receipt of such determination or otherwise as agreed by the Parties.

ARTICLE 4 DELIVERY OF HEMP BIOMASS

- 4.1 On or following the Closing Date, as directed by the Buyer, the Seller shall Deliver the Hemp Biomass to the Buyer at the Buyer's Premises or such other place as directed by the Buyer. The method of shipment will be within the discretion of the Buyer and the Buyer will pay the transportation costs for shipment. The Seller warrants to the Buyer that it shall ensure that the Hemp Biomass will be Delivered and shipped in compliance with Applicable Law, including, but not limited to, the *Cannabis Act* (Canada) and the regulations thereunder, and that the Hemp Biomass shall be properly insured during transportation. Once the Hemp Biomass has been Delivered to the location directed by the Buyer, the Buyer shall be deemed to have accepted Delivery and taken ownership of the Hemp Biomass ("**Accepted Ownership**"). In the event that the Hemp Biomass is Delivered to a location that is under control of the Seller, the Seller shall be deemed to be holding any and all Hemp Biomass as a bare trustee on behalf of the Buyer under the Seller's industrial hemp licence. Furthermore, the Seller represents and warrants that the Buyer's Premises has been added as an industrial hemp storage site under the industrial hemp license of the Seller issued pursuant to the *Cannabis Act* (Canada) and the regulations thereunder.

ARTICLE 5 RISK OF LOSS

- 5.1 The Seller retains ownership of and bears the risk of loss or damage to the Hemp Biomass until Delivered in accordance with Section 4.1. The Seller will maintain its insurance policy on the Hemp Biomass after Delivery until such time as the Hemp Biomass arrives at the Buyer's Premises.

- 5.2 If, after Delivery to the Buyer in accordance with Section 4.1 but prior to arrival at the Buyer's Premises, there occurs any loss or damage to any of the Hemp Biomass, then the Buyer may, at its option:
- (a) elect to complete the purchase and sale of the Hemp Biomass, in which event all insurance proceeds shall be assigned and/or paid by the Seller to the Buyer, less the amount of Contingent Consideration the Seller would have been entitled to receive if such Hemp Biomass had been sold by the Buyer in accordance with Section 3.1(b)(iii), provided that Buyer first receives insurance proceeds equal to no less than its cost base for Payment Shares issued to the Seller in consideration for such Hemp Biomass; or
 - (b) elect to complete the purchase and sale subject to the Purchase Price being reduced to reflect such loss or damage.
- 5.3 The Buyer shall maintain reasonable insurance for the Hemp Biomass from the time the Hemp Biomass arrives at the Buyer's premises. If, after the time the Hemp Biomass arrives at the Buyer's premises, there occurs any loss or damage to any of the Hemp Biomass, then an amount of any such insurance proceeds shall be assigned and/or paid by the Buyer to the Seller equal to the amount of Contingent Consideration the Seller would have been entitled to receive if such Hemp Biomass had been sold by the Buyer in accordance with Section 3.1(b)(iii), provided that Buyer first receives insurance proceeds equal to no less than its cost base for Payment Shares issued to the Seller in consideration for such Biomass.

ARTICLE 6

REPRESENTATIONS & WARRANTIES OF SELLER

- 6.1 The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying upon the following representations and warranties:
- (a) the Seller is a duly incorporated, validly subsisting corporation under the laws of British Columbia and has the requisite corporate power and authority to own its assets and to conduct its business as it is now being conducted;
 - (b) the Seller has full power and authority to execute, deliver and perform its obligations under this Agreement, and this Agreement constitutes a valid and legally binding obligation of the Seller, enforceable in accordance with its terms, subject to the rights of the Seller's creditors at law and equity;
 - (c) the Seller need not give any notice to, make any filing with, or obtain any authorization, consent or approval of any Governmental Authority in order to consummate the transaction contemplated by this Agreement;
 - (d) the execution and delivery of this Agreement, the performance by the Seller of its obligations hereunder and the consummation of the transactions contemplated by this Agreement do not and will not conflict with, or result (with or without notice or the lapse of time) in a breach or violation of, or constitute a default under, any of the terms or provisions of: (i) the constating documents of the Seller; (ii) the resolutions of the Seller's shareholders or directors (or any committee thereof) which are in

effect; (iii) any judgment, writ, injunction, degree or order of a court, arbitrator or Governmental Authority that is binding on the Seller; (iv) any contract or agreement to which the Seller is subject or by which the Seller is bound; or (v) Applicable Law;

- (e) the Seller is complying with all Applicable Laws applicable to this Agreement, including the sale of the Hemp Biomass and maintains all certifications, credentials, licenses and permits necessary to conduct its business and otherwise relating to the sale of the Hemp Biomass;
- (f) except for any required consent of the board of directors of the Corporation and any corporate resolutions, the Seller is not obligated to obtain the consent of any person or to provide notice to any person with respect to the transactions contemplated by this Agreement, nor do the transactions contemplated by this Agreement give rise to any rights of first refusal or pre-emptive, preferential or similar rights of purchase; and
- (g) the Seller is not "non-resident" within the meaning of the *Income Tax Act* (Canada).

6.2 The Seller also represents and warrants to the Buyer and acknowledge that the Buyer is relying upon the following representations and warranties regarding the Hemp Biomass:

- (a) the Seller is the sole legal and beneficial owner of the Hemp Biomass;
- (b) the Hemp Biomass is free from all Encumbrances;
- (c) the Seller has the absolute right, title and authority to sell the Hemp Biomass to the Buyer;
- (d) the Hemp Biomass is free of the rightful claim of any person arising from patent or trademark infringement;
- (e) the Hemp Biomass will comply with the product specifications as set out in Schedule "A" attached hereto;
- (f) the Hemp Biomass will be of merchantable quality and free from any and all defects; and
- (g) be fit and safe for use.

6.3 The representations and warranties of the Seller contained in Section 6.1 and Section 6.2 are for the benefit of the Buyer, and the Seller acknowledges and confirms that the Buyer is relying upon such representations and warranties. The Seller shall give the Buyer notice of any facts which may give rise to a claim under Sections 6.1 and 6.2 with reasonable diligence after such facts come to the attention of the Seller.

6.4 The representations and warranties contained in Sections 6.1 and 6.2 shall be true and correct on the Closing Date as if made on the Closing Date and shall survive the Closing Date and remain in full force and effect for the benefit of the Buyer for a period of two (2) years after the Closing Date.

- 6.5 The representations and warranties contained in Sections 6.1 and 6.2 shall be deemed to apply to and be contained in all conveyances, assignments, transfers and other documents delivered by the Seller in connection with the transactions contemplated by this Agreement.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF BUYER

- 7.1 The Buyer represents and warrants to the Seller and acknowledge that the Seller is relying upon the following representations and warranties:
- (a) the Buyer is a duly incorporated, validly subsisting corporation under the laws of Alberta and has the requisite corporate power and authority to own its assets and to conduct its business as it is now being conducted;
 - (b) the Buyer has full power and authority to execute, deliver and perform its obligations under this Agreement, and this Agreement constitutes a valid and legally binding obligation of the Buyer, enforceable in accordance with its terms, subject to the rights of the Buyer's creditors at law and equity;
 - (c) except for the approval of the CSE of the transaction herein described and the share price provided for in this Agreement for the Payment Shares being paid to the Seller pursuant to Section 3.1(a) herein, if applicable, the Buyer need not give any notice to, make any filing with, or obtain any authorization, consent or approval of any Governmental Authority in order to consummate the transaction contemplated by this Agreement;
 - (d) the execution and delivery of this Agreement, the performance by the Buyer of its obligations hereunder and the consummation of the transactions contemplated by this Agreement do not and will not conflict with, or result (with or without notice or the lapse of time) in a breach or violation of, or constitute a default under, any of the terms or provisions of: (i) the constating documents of the Buyer; (ii) the resolutions of the Buyer's shareholders or directors (or any committee thereof) which are in effect; (iii) any judgment, writ, injunction, degree or order of a court, arbitrator or Governmental Authority that is binding on the Buyer; (iv) any contract or agreement to which the Buyer is subject or by which the Buyer is bound; or (v) Applicable Law;
 - (e) the Buyer has an authorized capital consisting of an unlimited number of Common Shares and an unlimited number of Preferred Shares, of which 19,007,137 Common Shares are issued and outstanding and all of such shares are validly issued and outstanding as fully paid and non-assessable shares of the Buyer;
 - (f) the Buyer is in material compliance with all of its obligations as a reporting issuer in the jurisdictions where it is a reporting issuer, including those imposed pursuant to the applicable securities legislation, and the regulations and policies thereunder;
 - (g) the Payment Shares are duly authorized and, when issued in accordance with this Agreement, are registered, will be duly and validly issued and transferable, fully paid and nonassessable, free and clear of all

Encumbrances except for restrictions on transfer imposed by Applicable Laws. The Payment Shares are not and will not be subject to the preemptive rights of any holders of any security of the Buyer or similar contractual rights granted by the Buyer. All corporate and other action required to be taken for the authorization, issuance and sale of the Payment Shares will be duly and validly taken when issued in accordance with this Agreement. No approval or consent of any holders of securities of the Buyer is required in connection with the authorization and issuance of the Payment Shares;

- (h) the unaudited interim financial statements of the Buyer for the period ended June 30, 2020, were true and correct as at the date thereof and were prepared in accordance with International Financial Reporting Standards; and
- (i) there is no action, suit, litigation, arbitration, investigation, inquiry or other proceeding in progress, or, to the best of the Buyer's knowledge, pending or threatened against or relating to the Buyer or its material assets and there is no circumstance, matter or thing known to the Buyer which might give rise to any such proceeding or to any Governmental Authority investigation relative to the Buyer and there is not outstanding against the Buyer any judgment, decree, injunction, rule or order of any court, government department, commission, agency or arbitrator.

- 7.2 The representations and warranties of the Buyer contained in Section 7.1 are for the benefit of the Seller, and the Buyer acknowledges and confirms that the Seller is relying upon such representations and warranties. The Buyer shall give the Seller notice of any facts which may give rise to a claim under Section 7.1 with reasonable diligence after such facts come to the attention of the Buyer.
- 7.3 The representations and warranties contained in Section 7.1 shall be true and correct on the Closing Date as if made on the Closing Date and shall survive the Closing Date and remain in full force and effect for the benefit of the Seller for a period of two (2) years after the Closing Date.
- 7.4 The representations and warranties contained in Section 7.1 shall be deemed to apply to and be contained in all conveyances, assignments, transfers and other documents delivered by the Buyer in connection with the transactions contemplated by this Agreement.

ARTICLE 8 INSPECTION

- 8.1 Inspection will be made by the Buyer at the time and place of Delivery as follows:
 - (a) the Seller delivers the Hemp Biomass to the Buyer in accordance with Sections 4.1 and 5.1 herein;
 - (b) the Seller designates a "batch" of Hemp Biomass comprised of five (5) or ten (10) bulk (1,000 lbs.) bags (each such designation being a "**Batch**" hereunder); and
 - (c) the Seller shall provide certificates of analysis to the Buyer for each Batch.

ARTICLE 9 NON-CONFORMING PRODUCT

- 9.1 Within 30 days after Delivery of a Batch, the Buyer shall have the right to conduct testing of the Batch and to send the Seller written notification (the "**Quality Notice**"), that in its reasonable discretion, the Batch does not comply with the quality specifications as set out in Schedule "A" attached hereto. The Seller shall have the option to re-work and to Deliver an additional Batch to comply with the specifications set out in Schedule "A" attached hereto provided it re-works and Delivers such additional Batch as soon practicable following receipt of the Quality Notice. All costs associated with the Seller's re-work and Delivery of a Batch shall be borne by the Seller inclusive of all transportation costs. If the Seller fails to in due course to Deliver any Batch in accordance with the specifications set out in Schedule "A" attached hereto, the Buyer shall further have the right to set the price thereof as against the Contingent Consideration.
- 9.2 Notwithstanding anything herein to the contrary, the Parties acknowledge and agree as follows:
- (a) the Buyer's failure to provide a Quality Notice within 30 days from the date of Delivery of a Batch will constitute an unqualified acceptance of a Batch and a waiver by the Buyer of all claims with respect to any such Batch; and
 - (b) the Seller has the right under this Agreement to Dispute the Buyer's determination that a Batch does not comply with the specifications set out in Schedule "A" attached hereto through the Dispute Resolution Procedures set out in Article 18. Under the Dispute Resolution Procedures, the losing Party will be required to pay for all costs involved in settling the Dispute.

ARTICLE 10 DELIVERABLES OF SELLER

- 10.1 On or before the Closing Date, the Seller shall deliver the following to the Buyer:
- (a) a certificate of an officer of the Seller certifying that the representations and warranties of the Seller set out in Sections 6.1 and 6.2 are true, complete and correct as at the Closing Date;
 - (b) a bill of sale for the Hemp Biomass in favour of the Buyer; and
 - (c) such further and other documents or resolutions as may be necessary or desirable to duly transfer the Hemp Biomass to the Buyer in accordance with the intent of this Agreement.
- 10.2 The Seller shall from time to time after Closing Date, at the request of the Buyer but without further consideration, execute and deliver all such further and additional instruments, notices, releases, and documents and do and perform all such further

acts and things as may be necessary or desirable to fully carry out the intent of this Agreement.

ARTICLE 11 DELIVERABLES OF BUYER

- 11.1 Payment Shares shall be issued to the Seller or to such third party as directed by the Seller to the Buyer in writing in accordance with Section 3.1(a) as follows:
- (a) the Buyer shall provide for the issuance of up to 13,000,000 Payment Shares within five (5) Business Days of the Closing Date, for each 10,000 lbs of Hemp Biomass Delivered;
 - (b) Following the issuance of the Payment Shares under Section 11.1(a), the Buyer shall provide for the issuance of up to an additional 6,000,000 Payment Shares (resulting in an aggregate maximum of 19,000,000 Payment Shares) within five (5) Business Days of Delivery, for each 10,000 lbs of Hemp Biomass Delivered; and
 - (c) Within five (5) Business Days of the later of the closing of the Private Placement or Delivery, for each 10,000 lbs of Hemp Biomass Delivered, the Buyer shall provide for the issuance of Payment Shares in excess of 19,000,000.
- 11.2 The Purchaser shall from time to time after Closing Date, at the request of the Seller but without further consideration, execute and deliver all such further and additional instruments, notices, releases and documents and do and perform all such further acts and things as may be necessary or desirable to fully carry out the intention of this Agreement.

ARTICLE 12 CONDITIONS TO THE OBLIGATIONS OF THE BUYER

- 12.1 The obligations of the Buyer to complete the transactions contemplated by this Agreement and the obligations of the Seller under this Agreement shall be subject to the fulfilment on or before Closing Date of the following conditions:
- (a) each of the representations and warranties of the Seller contained in Sections 6.1 and 6.2 shall be true and correct as at the Closing Date;
 - (b) the Buyer shall have received approval for the transaction herein described by its board of directors and its shareholders (if necessary);
 - (c) the Buyer and the Seller entering into a strategic alliance agreement;
 - (d) this Agreement and the transactions described herein shall have been consented to in writing by all necessary third parties including but without limitation, consent by the CSE and relevant securities commissions;
 - (e) there not having occurred, to the satisfaction of the Buyer, any material change, change of material fact or any development that could result in a

material adverse change or adverse change of material fact in the business, financial results, operations or affairs of the Seller; and

- (f) all documents, instruments and assurances required to be delivered to the Buyer by the Seller pursuant to Section 10.1 shall have been delivered on or prior to Closing Date.

- 12.2 The conditions set out in Section 12.1 have been inserted for the benefit of the Buyer. If any of the conditions set out in Section 12.1 shall not have been fulfilled on or prior to Closing Date, the Buyer may rescind this Agreement by notice to the Seller and in such event the Buyer shall be released from all of its obligations under this Agreement. The Buyer may waive or relax compliance with any of the conditions to the obligations of the Buyer under this Agreement without prejudice to its right of rescission in the event of non-fulfilment of the same condition at a later time or in the event of non-fulfilment of any other condition or conditions, provided that any such waiver or relaxation shall be binding upon the Buyer only if made in writing.

ARTICLE 13 CONDITIONS TO THE OBLIGATIONS OF THE SELLER

- 13.1 The obligations of the Seller to complete the transactions contemplated by this Agreement and the obligations of the Seller under this Agreement shall be subject to the fulfilment on or before Closing Date of the following conditions:

- (a) each of the representations and warranties of the Buyer contained in Section 7.1 shall be true and correct as at the Closing Date;
- (b) there not having occurred, to the satisfaction of the Seller, any material change, change of material fact or any development that could result in a material adverse change or adverse change of material fact in the business, financial results, operations or affairs of the Buyer; and
- (c) all documents, instruments and assurances required to be delivered to the Seller by the Buyer pursuant to Section 11.1 shall have been delivered on or prior to Closing Date.

- 13.2 The conditions set out in Section 13.1 have been inserted for the benefit of the Seller. If any of the conditions set out in Section 13.1 shall not have been fulfilled on or prior to Closing Date, the Seller may rescind this Agreement by notice to the Buyer and in such event the Seller shall be released from all of its obligations under this Agreement. The Seller may waive or relax compliance with any of the conditions to the obligations of the Seller under this Agreement without prejudice to its right of rescission in the event of non-fulfilment of the same condition at a later time or in the event of non-fulfilment of any other condition or conditions, provided that any such waiver or relaxation shall be binding upon the Seller only if made in writing.

ARTICLE 14 CLOSING

- 14.1 Subject to Sections 12.1 and 13.1, the transactions contemplated by this Agreement shall close on Closing Date at the hour of 10:00 a.m. (Calgary time) at the offices of

McLeod Law LLP located at 500, 707 - 5th Street SW, Calgary, Alberta, or at such other place or time as shall be mutually agreed to by the Buyer and the Seller.

ARTICLE 15 INDEMNIFICATION

- 15.1 General Mutual Indemnification - Each Party (the "**Indemnifier**") indemnifies and agrees to save harmless the other Party and each of their Affiliates and each of their directors, officers and employees (the "**Indemnified Persons**"), from and against any and all Losses suffered or incurred by the Indemnified Persons or (if applicable) any of their Affiliates, and its and their directors, officers and employees as a result of, on account of or by reason of any and all actions, causes of action, proceedings, claims or demands to the extent relating to, arising from or in connection with:
- (a) a breach or non-fulfillment of any of Indemnifier's representations, warranties, conditions or covenants set forth in this Agreement;
 - (b) the negligence, wilful misconduct, fraud or dishonesty of the Indemnifier in connection with the performance of its obligations under this Agreement; or
 - (c) any failure by Indemnifier to comply with any Applicable Law.
- 15.2 Third-Party Claim Indemnification Procedures - If any Indemnified Person seeks indemnification hereunder in respect of any third-party claim, it shall promptly notify the Indemnifier in writing of any such claim and cooperate with the Indemnifier at the Indemnifier's sole cost and expense. The Indemnifier shall immediately take control of the defence and investigation of such claim and shall employ counsel of its choice to handle and defend the same, at the Indemnifier's sole cost and expense. The Indemnifier shall not settle any such claim in a manner that adversely affects the rights of the Indemnified Person without the Indemnified Person's prior written consent, which shall not be unreasonably withheld or delayed. The Indemnified Person's failure to perform any obligations under this Section 15.2 shall not relieve the Indemnifier of its obligations under this Section 15.2 except to the extent that the Indemnifier can demonstrate that it has been materially prejudiced as a result of such failure. The Indemnified Person may participate in and observe the proceedings at its own cost and expense.
- 15.3 The indemnities contained in Section 15.1 shall survive the Closing Date and remain in full force and effect after the Closing Date for a period of two (2) years.

ARTICLE 16 LIMITATION OF LIABILITY

- 16.1 **IN NO EVENT WILL EITHER PARTY'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AMOUNT OF THE PURCHASE PRICE.**

ARTICLE 17 NOTICES

- 17.1 Any notice to be given or document to be delivered to either the Seller or Buyer pursuant to this Agreement will be sufficient if delivered personally or sent by prepaid registered mail or by email to the address specified below. Any written notice or delivery of documents will have been given, made and received on the day of delivery if delivered personally, or on the third (3rd) Business Day next following the date of mailing if sent by prepaid registered mail or if sent by email at or prior to 5:00 p.m. on any Business Day, when so emailed or, if emailed at any other time, on the next Business Day:

SELLER:

SynerGenetics Bioscience Inc.
34th Floor, 1055 Dunsmuir Street
Vancouver, BC V7X 1L3
Attention: Ping Zhang
Email: johnsonpzh@gmail.com

BUYER:

RMMI Corp.
c/o Suite 500, 707 5th Street SW
Calgary, Alberta T2P 0Y3
Attention: Peter Cheung
Email: pc@rmmi.ca

or to such other address or email address or individual as may be designated by notice given by any Party to the others.

ARTICLE 18 MEDIATION AND ARBITRATION

- 18.1 Any disagreement that arises between the Parties with respect to any issue or matter in connection with this Agreement (a "**Dispute**") will be subject to the following dispute resolution procedures (the "**Dispute Resolution Procedures**"):
- (a) Any Party may provide notice of a Dispute to the other Party and the Parties shall attempt to resolve any Dispute informally by meeting as often, for a duration and as promptly as the Parties deem necessary to discuss the Dispute and negotiate in good faith in an attempt to resolve the Dispute.
 - (b) If the Parties cannot resolve the Dispute within 10 Business Days of delivery of notice of Dispute, the Dispute will be referred to non-binding mediation. Each Party will work with the other to select an acceptable mediator and the appropriate rules of mediation, and to work with the mediator to resolve the Dispute. The mediations process shall continue until the Dispute is resolved or until either the mediator makes a finding that there is no possibility of settlement through the mediation or one of the Parties elects not to continue the mediation ("**Mediation**").

Termination"). The place of mediation shall be Calgary, Alberta and the language of the mediation shall be English.

- (c) In the event of Mediation Termination, either Party may at any time thereafter, by written notice to the other Party, require that such Dispute be resolved on an expedited basis by arbitration before a mutually agreed upon single arbitrator. In the event that the Parties cannot agree on the appointment of an arbitrator, one will be appointed pursuant to the ADRIC Arbitration Rules (as amended, superseded or replaced from time to time) of the ADR Institute of Canada Inc.
- (d) The arbitration will be conducted in Calgary, Alberta pursuant to the ADRIC Arbitration Rules (as amended, superseded or replaced from time to time) of the ADR Institute of Canada Inc. The arbitrator will issue an arbitral award within 15 Business Days following the date the matter was arbitrated, and any arbitral award will be final, conclusive and binding upon the Parties.
- (e) Each Party shall bear its own costs of the arbitration including one-half of the fees and expenses of the arbitrator unless agreed otherwise as part of the arbitrated resolution. All non-legal costs of the arbitration shall be divided equally between the Parties involved in the Dispute.
- (f) Notwithstanding anything to the contrary in this Article 18, nothing in this Agreement shall prevent any Party from applying to a court of competent jurisdiction for interim and/or interlocutory relief or other interim and/or interlocutory equitable relief pending final disposition of any Dispute.

ARTICLE 19 GENERAL PROVISIONS

- 19.1 Neither Party may assign its right or delegate its performance under this Agreement without the prior written consent of the other Party, and any attempted assignment or delegation without such consent will be void. An assignment would change the duty imposed by this Agreement, would increase the burden or risk involved and would impair the chance of obtaining performance or payment.
- 19.2 This Agreement cannot be modified in any way except in writing signed by all the Parties to this Agreement.
- 19.3 This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the Seller and the Buyer hereby attorn to the jurisdiction of the Courts of the Province of Alberta.
- 19.4 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part of a provision and the remaining part of such provision and all other provisions shall continue in full force and effect.
- 19.5 This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

- 19.6 This Agreement may be executed in counterparts. Facsimile or email (pdf) signatures are binding and are considered to be original signatures.
- 19.7 Time is of the essence in this Agreement.
- 19.8 Each of the Parties hereto shall bear all expenses incurred by it in connection with this Agreement including, without limitation, the charges of their respective counsel, accountants and financial advisors.
- 19.9 No waiver by either Party shall be effective unless in writing, and a waiver shall affect only the matter specifically identified in the writing granting such waiver and shall not extend to any other matter.
- 19.10 Nothing in this Agreement, specifically, shall be construed to create, expressly or by implication, a joint venture, commercial partnership or other partnership relationship between the Parties.
- 19.11 Each Party shall, from time to time and without additional consideration, perform all acts and execute and deliver all documents required to carry out and give full effect to the terms of this Agreement.
- 19.12 The provisions of this Agreement shall survive the completion of the sale of the Hemp Biomass and shall not merge in any transfer or other document or instrument executed or delivered pursuant to this Agreement. Without limiting the generality of the foregoing, the liability of a Party for any breach of any of its representations, warranties, covenants, agreements or other obligations hereunder prior to the completion of the sale of the Hemp Biomass shall not be extinguished or in any manner diminished by such completion.
- 19.13 Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy. The Parties hereby agree that irreparable damage would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached, and that money damages or other legal remedies would not be an adequate remedy for any such damages. Accordingly, the Parties acknowledge and hereby agree that notwithstanding the mediation and arbitration provisions set out above, in the event of any breach or threatened breach by any Party of any of its covenants or obligations set out in this Agreement, the other Party shall be entitled to injunctive relief to prevent or restrain breaches or threatened breaches of this Agreement by the other, and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the covenants and obligations of the other under this Agreement.
- 19.14 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and cancels and supersedes any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral

agreements, express, implied or statutory, between the Parties other than as expressly set out in this Agreement.

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IN WITNESS WHEREOF the Parties have executed this Agreement on this 14th day of October, 2020.

SYNERGENETICS BIOSCIENCE INC.

RMMI CORP.

Per: signed "Ping Zhang"
Ping Zhang
Chief Executive Officer

Per: signed "Peter Cheung"
Peter Cheung
Interim Chief Executive Officer

Schedule "A"**Product Specifications**

1. Minimum [REDACTED] % CBD content by volume (per 1,000 lbs. bag). If CBD content is less than [REDACTED] %, then adjustment shall be made as set forth in Section 3.1(b)(iii);
2. Average moisture point between [REDACTED] % and [REDACTED] %; and
3. Compliant with all Health Canada regulations.