

A copy of this preliminary Prospectus has been filed with the securities regulatory authorities in the Provinces British Columbia, Alberta and Saskatchewan, but has not yet become final for the purpose of the sale of securities. Information contained in this Prospectus may not be complete and may have to be amended.

This preliminary Prospectus does not constitute an offer to sell or the solicitation of an offer to buy securities. This non-offering preliminary Prospectus does not constitute a public offering of securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PRELIMINARY PROSPECTUS

Non-Offering
Preliminary Prospectus

May 30, 2019



CBD Global Sciences Inc.

No securities are being offered pursuant to this Prospectus

This long form non-offering Prospectus (“**Prospectus**”) is being filed with the Alberta Securities Commission, as principal regulator, and with the securities regulatory authorities in the provinces of British Columbia and Saskatchewan, to enable CBD Global Sciences Inc. (“**CBD Global**” or “**Company**”) to become a reporting issuer pursuant to applicable securities legislation in British Columbia, Alberta and Saskatchewan and in connection to its application to list the common shares of the Company (“**Common Shares**”) on the Canadian Securities Exchange (“**CSE**”), notwithstanding that no sale of its securities is contemplated herein.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be issued and all expenses in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

CBD Global intends to apply for a listing (“**Listing**”) of its Common Shares on the CSE; however, as of the date of this Prospectus, the Company has not applied for nor received conditional approval from the CSE for such a Listing.

There is currently no market in Canada through which the securities of the Company may be sold and purchasers may not be able to resell securities. This may affect the pricing of the securities of the Company in the secondary market, the transparency and availability of trading prices, the liquidity of the securities of the Company and the extent of issuer regulation. Investors should carefully consider the risk factors described under “Risk Factors”.

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence investigations in respect of the contents of this Prospectus.

An investment in the Common Shares of the Company or the Resulting Issuer (as defined herein) should be considered highly speculative and involves a high degree of risk that should be considered by potential purchasers. There is no guarantee that an investment in the Company or the Resulting Issuer will earn any positive return in the short or long term. An investment in the Company or the Resulting Issuer is appropriate only for investors who are willing to risk a loss of some or all of their investment and who can afford to lose some or all of their investment. There are certain risk factors associated with an investment in the Common Shares. The risk factors included in this Prospectus should be reviewed carefully and evaluated by prospective purchasers of Common Shares. See “Risk Factors” and “Forward-Looking Statements”.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The registered and head office of the Company is 1250, 639 – 5th Ave. SW, Calgary, Alberta, Canada.

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America. Listing is subject to the Company fulfilling all of the requirements of the CSE, including meeting all minimum listing requirements.

ADVISORY

Prospective investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of an investment in the Common Shares. Prospective investors should rely only on the information contained in this Prospectus and should not rely on parts of the information contained in this Prospectus to the exclusion of others. The Company has not authorized anyone to provide additional or different information than is contained herein. If anyone provides a prospective investor with additional, different or inconsistent information, including statements in the media about the Company, such information should not be relied on.

The information contained in this Prospectus is accurate only as of the date of this Prospectus or as of the date stated. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

As used in this Prospectus, the terms “we”, “us”, “our”, “CBD Global” and “Company” mean CBD Global Sciences Inc., unless otherwise indicated.

The Resulting Issuer will depend upon a merger with a suitable operating company. There are material risks which may arise if a merger is not completed. Closing of a merger is subject to various conditions including shareholder approvals, completion of financings, approval of the listing of the Resulting Issuer's shares on the CSE and compliance with securities regulations, as well as other conditions. There is no assurance that a merger will be completed on the terms proposed or at all. If a merger is not completed, the Company will have incurred substantial costs, will not have any business and will have to re-commence the process of seeking a business or suite of assets to acquire in order to become a viable company. There is no assurance that the Company will be able to secure or complete an alternative transaction in the foreseeable future or at all.

The Resulting Issuer will be directly involved (through its licensed wholly owned subsidiaries) in the Industrial Hemp, hemp oil, and cannabidiol (“CBD”) marketplace initially in the State of Colorado and ultimately in other states which have regulated such activity.

This Prospectus qualifies the distribution of securities of an entity that is expected to, upon completion of the Reverse Take-Over, derive its revenues from the production and distribution of hemp-based, CBD wellness products in certain states in the United States. All Industrial Hemp produced and sold by the Resulting Issuer will constitute Industrial Hemp under the 2018 Farm Bill, as well as the laws of the states in which it produces and sells such Industrial Hemp.

Federal legislation has previously scheduled all cannabis grown in the United States as a controlled substance under the U.S. Controlled Substances Act of 1970 (“*Controlled Substances Act*”), and as a result, the previous cultivation or sale of hemp for any purpose in the United States without a Schedule I registration with the U.S. Drug Enforcement Agency (“*DEA*”) was, unless exempted by the 2014 Farm Bill, illegal. On December 20, 2018 however, the 2018 Farm Bill was signed into law under which Industrial Hemp and cannabidiol (“*CBD*”) was removed from the Schedule I controlled substances list under the Controlled Substances Act.

The Resulting Issuer's position is that its activities fall within the relief from federal interference (e.g. by the DEA) provided by the 2018 Farm Bill as of December 20, 2018, and prior thereto under Section 7606 of the 2014 Farm Bill.

See “Part Two – Global NV - Regulatory Overview - United States Federal Regulation of Industrial Hemp - Development of Current Regulatory Framework” and “Part Two – Global NV - Regulatory Overview - United States Federal Regulation of Industrial Hemp - The 2018 Farm Bill”.

The FDA has not generally approved CBD or other individual cannabinoids as drugs, nor has the FDA deemed CBD or other individual cannabinoids permissible for use in dietary supplements, as dietary ingredients or as safe for use in food. The FDA has taken the position that CBD cannot be marketed in a dietary supplement because it has been the subject of investigation as a new drug pursuant to the IND Preclusion (as defined below). The Resulting Issuer believes there are significant arguments against this position in that all conditions of the applicable statute must be met before the IND Preclusion applies. In addition, the FDA is currently challenging whether the CBD products can be sold in the U.S. without FDA approvals which have not yet been obtained. This matter is still in active discussion with the FDA and is unresolved as at the date of this Prospectus. The FDA does not recognize CBD as safe for use in food products. See “*Part Two - Regulatory Overview - FDA Regulation*”.

While the Resulting Issuer disagrees with the position of the FDA, there is risk that this agency could take law enforcement actions against the Resulting Issuer. There is also a risk that state or local authorities could take enforcement actions against the Resulting Issuer.

Legal barriers applicable to selling hemp and hemp-derived CBD products result from several factors, including the fact that hemp and marijuana are both derived from the Cannabis plant, the rapidly changing patchwork of state laws governing hemp and hemp-derived CBD, and the lack of FDA approval for CBD as a lawful food ingredient, food additive or dietary supplement.

The Resulting Issuer’s objective is to capitalize on the opportunities presented as a result of the changing regulatory environment governing Industrial Hemp, hemp oil and the Cannabis industry initially in the State of Colorado and, once permitted, other states in the U.S. Accordingly, there are a number of significant risks associated with the business of the Resulting Issuer. Unless and until the FDA recognizes CBD as safe for use in food products, (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, and the business of the Resulting Issuer may be deemed to be producing or dispensing CBD products in violation of federal law in the U.S.

For these reasons, the Resulting Issuer’s operations in the U.S. Industrial Hemp and CBD market may subject the Resulting Issuer to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian authorities.

There can be no assurance that third party service providers, including, but not limited to, suppliers, contractors and banks will not suspend or withdraw services which could negatively impact the business of the Resulting Issuer.

There are a number of risks associated with the business of the Resulting Issuer. See section entitled “*Risk Factors*”, including “*Part Two – Global NV – Regulatory Overview - Risks Related to Regulatory Environment*”, “*Part Three – Resulting Issuer - The Resulting Issuer’s Investments in the U.S. may be subject to heightened scrutiny by Canadian Authorities*” and “*Change in Laws, Regulations and Guidelines*”.

Any investment in the Common Shares is speculative due to a variety of factors, including the nature of the Resulting Issuer’s business subsequent to Closing. An investment in these securities should only be made by persons who can afford a total loss of their investment. Legislative and regulatory uncertainties, along with difficulties concerning potential enforcement activities by U.S. federal, state and local governments (or discretion exercised thereby), represent significant risks concerning the Resulting Issuer’s business activities.

These risks include, but are not limited to:

- the DEA’s interpretation and application of existing federal laws and rules concerning both those portions of the Cannabis plant exempted from the definition of “marihuana” under the Controlled Substances Act and those varieties provided for as Industrial Hemp pursuant to the 2018 Farm Bill;
- positions asserted by the FDA concerning products containing derivatives from Industrial Hemp;
- uncertainty surrounding the characterization of cannabinoids as a dietary ingredient by the FDA;
- enforcement activities by state and/or local law enforcement and regulatory authorities under the auspice of individual state law, regardless of any potential conflict thereby with federal law.

If the Resulting Issuer’s operations are found to be in violation of any of such laws or any other governmental regulations, the Resulting Issuer may be subject to penalties, including, without limitation, civil and criminal

penalties, damages, fines, the curtailment or restructuring of the Resulting Issuer's operations or asset seizures, any of which could adversely affect the Resulting Issuer's business and financial results. If the FDA takes action against the Resulting Issuer or the CBD industry notwithstanding the regulatory regime surrounding the 2018 Farm Bill, this could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations including the cessation of operations entirely.

Failure to comply with FDA requirements may result in, among other things, injunctions, product withdrawals, recalls, product seizures, fines and criminal prosecutions. The Resulting Issuer's suppliers, service providers and distributors may elect, at any time, to breach or otherwise cease to participate in supply, service or distribution agreements, or other relationships, on which the Resulting Issuer's operations rely. Loss of its suppliers, service providers or distributors would have a material adverse effect on the Resulting Issuer's business and operational results. Historically, the Resulting Issuer has sold its products in international jurisdictions and there is the possibility that any such international jurisdiction could determine that the Resulting Issuer was not compliant with applicable local regulations. If the Resulting Issuer's sales therein were found to be in violation of such international regulations the Resulting Issuer may be subject to enforcement actions in such jurisdictions. See *"Part Two – Global NV - Risk Factors of Global NV - International Regulatory Risks"*.

Materially all of the Resulting Issuer's assets, liabilities and operations are exposed to U.S. Industrial Hemp-related activities.

See *"Risk Factors"* for more information about the risks concerning the Resulting Issuer's business and operations.

See *"Part Two – Global NV - Regulatory Overview — General Overview"*, *"Part Two – Global NV - Regulatory Overview United States Federal Regulation of Industrial Hemp - Statement of Principles"* and *"Part Two – Global NV - Regulatory Overview - United States Federal Regulation of Industrial Hemp - DEA Position"* for more information about the position of the enforcement authorities.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or Resulting Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include: (A) the intention to complete the Reverse Take-Over; (B) the description of the Resulting Issuer that assumes completion of the Reverse Take-Over; and (C) the intention to grow the business and operations of the Resulting Issuer. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Prospectus. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, the ability of the Company to obtain necessary financing, satisfy conditions under the Merger Agreement, satisfy the requirements of the Exchange with respect to the Reverse Take-Over and the Listing, the economy generally, changes in government regulations, retain skilled management and staff, consumer interest in the services and products of the Resulting Issuer, competition, and anticipated and unanticipated costs. Such statements could also be materially affected by the impact of general imprecision of environmental risks, environmental regulation, taxation policies, competition, the lack of available and qualified personnel or management, stock market volatility and the ability to access sufficient capital from internal or external sources. Actual results, performance or achievement could differ materially from those expressed herein. While the Company anticipates that subsequent events and developments may cause its views to change, the forward-looking statements are included to allow the reader to understand our current working capital position and may not be appropriate for other purposes. These forward-looking statements should not be relied upon as representing the Company’s views as of any date subsequent to the date of this Prospectus. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The factors identified above are not intended to represent a complete list of the factors that could affect the Company and the Resulting Issuer. Additional factors are noted in this Prospectus under “**Risk Factors**”.

GENERAL DISCLOSURE INFORMATION

The Company is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus. No person has been authorized by the Company to give any information or make any representations in connection with the transactions herein described other than those contained in this Prospectus and, if given or made, any such information or representation must not be relied upon as having been authorized by the Company. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus.

Definitions and Selected Abbreviations

Various terms used in this Prospectus, including the cover pages, are defined under “**Glossary**”. Unless the context otherwise requires, use in this Prospectus of the “**Resulting Issuer**”, “we”, “us” or “our” means the Resulting Issuer and assumes that the steps outlined under “**Proposed Merger – Reverse Take-Over of the Company**” have been completed.

Certain Information

Unless otherwise indicated or the context otherwise requires, all dollar amounts contained in this Prospectus are in United States dollars (\$). Aggregated figures in graphs, charts and tables contained in this Prospectus may not add due to rounding. Historical statistical data and/or historical returns do not necessarily indicate future performance. Unless otherwise indicated, the market and industry data contained in this Prospectus is based upon information from industry and other publications and the knowledge of management and experience of the Company in the

markets in which CBD Global operates. While the management of CBD Global believes this data is reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. CBD Global has not independently verified any of the data from third-party sources referred to in this Prospectus or ascertained the underlying assumptions relied upon by such sources.

Words importing the singular number include the plural and vice versa, and words importing any gender or the neuter include both genders and the neuter.

GLOSSARY OF TERMS

In this Prospectus, unless otherwise indicated or the context otherwise requires, the following terms shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing a gender include any genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

“**2003 Rules**” has the meaning ascribed thereto under the heading “*Part Two - Global NV - Regulatory Overview - United States Federal Regulation of Industrial Hemp – HIA v. DEA II (2004 Decision)*”.

“**2014 Cole Memo**” means the memorandum issued by James Cole, Deputy Attorney General of the United States dated February 14, 2014 offering “Guidance Regarding Marijuana Related Financial Crimes”.

“**2014 Farm Bill**” means section 7606 of the *Agricultural Act of 2014* (United States).

“**2018 Farm Bill**” has the meaning ascribed thereto under the heading “*Part Two – Global NV - Description of the Business of Global NV – Key Dates and Events*”.

“**2018 Q2 Financing**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**2018 Q2 Note**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**2018 Q3 Financing**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**2018 Q3 Note**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**2018 Q3 Unit**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**2018 Q3 Warrant**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**2018 Spending Bill**” has the meaning ascribed thereto under the heading “*Appendix E - Management’s Discussion and Analysis of Global NV— Corporate Highlights*”.

“**ABCA**” means the *Business Corporations Act* (Alberta).

“**Acquisition**” has the meaning ascribed thereto in “*Part Two – Global NV - Description of the Business of Global NV – Material Transactions and Developments – Acquisition of SP*”.

“**Acquisition Agreement**” has the meaning ascribed thereto in “*Part Two – Global NV - Description of the Business of Global NV – Material Transactions and Developments – Acquisition of SP*”.

“**Advisory Board**” has the meaning ascribed thereto in “*Corporate Governance – Other Committees – Advisory Board*”.

“**affiliate**” or “**associate**” has the meaning ascribed thereto in the *Securities Act* (Alberta), as amended from time to time.

“**Annual MD&A**” means the combined management’s discussion and analysis of the financial condition and results of operations of Global NV Corp. and its subsidiaries for the years ended December 31, 2018, 2017 and 2016, attached to this Prospectus as **Appendix E**.

“**Audit Committee**” has the meaning ascribed thereto in “*Audit Committee and Corporate Governance*” in Parts One, Two and Three of this Prospectus.

“**Audited Annual Financial Statements**” means the audited combined annual financial statements of Global NV Corp., for the years ended December 31, 2018, 2017 and 2016, together with the notes thereto and the auditor’s report thereon, attached to this Prospectus as **Appendix D**.

“**Board**” means the board of directors of the Company.

“**Broker’s Warrant**” has the meaning ascribed thereto in “*Part Two – Global NV - Prior Sales*”.

“**business day**” means a day other than a Saturday, Sunday or a day on which the principal chartered banks located at Vancouver, British Columbia, are not open for business.

“**Canadian Securities Laws**” means the securities legislation or ordinance and regulations thereunder of each province of Canada and the rules, instruments, policies and orders of each Canadian securities regulator made thereunder.

“**Cannabis**” means *Cannabis sativa L.*

“**CannaOil**” means CannaOil, Inc., a Colorado corporation which is wholly owned by Global NV Corp.

“**CCA**” means the Colorado Corporations and Associations Act, *Title 7 of the Colo. Rev. Stat* (United States).

“**CBD**” means cannabidiol, a phytocannabinoid, or non-psychoactive chemical compound, derived from the Cannabis plant.

“**CBD Global**” means the Company, CBD Global Sciences Inc., a corporation incorporated under and the laws of the Province of Alberta.

“**CBD Global Products**” has the meaning ascribed thereto in “*Part One – Company - Description of the Business*”.

“**CBD Global Special Meeting**” means the annual and special meeting of the shareholders of CBD Global held on January 24, 2019.

“**CBD Global Units**” means those CBD Global units issued to holders of Global NV Corp. common shares as consideration under the terms of the Merger Agreement, each CBD Global Unit consisting of 1.319866 Common Shares and 0.0368013 Series A Preferred Shares.

“**CDA**” means to the Colorado Department of Agriculture.

“**CDPHE**” means the Colorado Department of Public Health & Environment.

“**CDS**” has the meaning ascribed thereto in “*Part Two – Global NV - Risk Factors of Global NV – Risks Relating Regulatory Environment*”.

“**CDSA**” means the *Controlled Drugs and Substances Act* (Canada).

“**cGMP**” means current Good Manufacturing Practices regulations enforced by the FDA.

“**Closing**” means the closing of the proposed Merger.

“**Closing Date**” means the date of the Closing.

“**Cole Memorandum**” means the memorandum issued by James Cole, Deputy Attorney General of the United States dated August 29, 2013 offering “Guidance Regarding Marijuana Enforcement”.

“**Colorado Hemp Act**” means *Colo. Rev. Stat. §§ 35-61-101-109* (United States).

“**Common Shares**” means common shares in the capital of the Company.

“**Company**” means CBD Global Sciences Inc., a corporation incorporated under and the laws of the Province of Alberta.

“**Consolidation**” means the consolidation of the CBD Global Shares on a “0.5764353 for one” basis.

“**Controlled Substances Act**” means the *Controlled Substances Act of 1970* (United States).

“**CPG**” means consumer packaged goods.

“**CSA**” means the Canadian Securities Administrators.

“**CSE**” or the “**Exchange**” means the Canadian Securities Exchange.

“**DEA**” means the United States Drug Enforcement Agency.

“**DOJ**” means the United States Department of Justice.

“**Directors**” means the current directors of the Company collectively, and in the singular means any one of the directors.

“Distillates” means highly refined cannabis extracts often derived from high CBD hemp flower and hemp biomass. CBD distillate typically contains around eighty percent (80%) CBD with the balance including minor cannabinoids, terpenes and other plants oils and extracts.

“Escrow Agreement” has the meaning ascribed thereto in *“Part One – Company - Escrowed Securities”*.

“Escrow Securities” has the meaning ascribed thereto in *“Part One – Company - Escrowed Securities”*.

“Escrow Shareholders” has the meaning ascribed thereto in *“Part One – Company - Escrowed Securities – Escrow Agreement”*.

“Facilities” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Production Facilities”*.

“Facility A” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Production Facilities”*.

“Facility B” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Production Facilities”*.

“Facility C” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Production Facilities”*.

“Facility D” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Production Facilities”*.

“Facility E” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Production Facilities”*.

“FDA” means the United States Food and Drug Administration.

“FDCA” means the Federal Food, Drug and Cosmetic Act (United States).

“FinCEN” means the Financial Crimes Enforcement Network administered by the United States Department of Treasury.

“FinCEN Memorandum” has the meaning ascribed thereto in *“Part Two – Global NV – Risk Factors of Global NV – International Regulatory Risk”*.

“Foreign Private Issuer” means “foreign private issuer” as defined in Rule 3b-4 under the U.S. Securities Act;

“forward-looking statements” has the meaning ascribed thereto under the heading *“Note to Investors — Forward-Looking Statements”*.

“Global NV” means Global NV Corp., a Nevada corporation.

“Global NV Notes” means the issued and outstanding convertible notes of Global NV. See *“Part Two – Global NV - Description of Securities of Global NV – Global NV Notes”*.

“Global NV Shares” means the common shares of Global NV.

“Global NV Warrants” means the issued and outstanding purchase warrants of Global NV. See *“Part Two – Global NV - Description of Securities of Global NV – Global NV Warrants”*.

“Global IP” means Global Sciences IP, LLC, a Nevada limited liability company which is wholly owned by Global NV Corp.

“Growth Plan” has the meaning ascribed thereto in *“Part Two – Global NV -- Description of the Business of Global NV – Research and Development”*.

“Hemp” means any part of the Cannabis plant having no more than three-tenths of one percent (0.3%) concentration of THC on a dry weight basis.

“Hemp Farming Act” or **“HFA”** means U.S. Senate Bill 2667 introduced by Senate Majority Leader Mitch McConnell on or about April 12, 2018.

“HIA” means the Hemp Industries Association.

“**HIA v. DEA II**” has the meaning ascribed there to under the heading “*Part Two – Global NV - Regulatory Overview - United States Federal Regulation of Industrial Hemp - Development of the Current Regulatory Framework*”.

“**HIA v. DEA III**” has the meaning ascribed there to under the heading “*Part Two – Global NV -- Regulatory Overview — United States Federal Regulation of Industrial Hemp — Development of the Current Regulatory Framework*”.

“**IASB**” means the International Accounting Standards Board.

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board, as adopted by the Canadian Accounting Standards Board.

“**IFRS 15**” has the meaning ascribed thereto under the heading “*Management’s Discussion and Analysis — Future Accounting Standards and Interpretation*”.

“**IND**” means investigational new drug.

“**Industrial Hemp**” means as any part of the *Cannabis sativa L.* plant, whether growing or not, with a delta-9 THC concentration of not more than 0.3% on a dry weight basis, lawfully cultivated in the United States pursuant to, and in compliance with, a state agricultural pilot program which sanctions such activity.

“**IRS**” means the United States Internal Revenue Service.

“**Isolates**” means a pure, crystalline powder that contains 99% pure CBD. CBD isolate contains only CBD. All the plant matter contained in the hemp plant, including oils, waxes, chlorophyll, and more are removed, offering a finished product that is CBD and nothing more.

“**IT**” means Information Technology.

“**Listing**” means the proposed listing of the Common Shares on the CSE.

“**Lot A**” has the meaning ascribed thereto in “*Part Two – Global NV -- Description of the Business of Global NV – Material Transactions and Developments – Acquisition of Land for Construction of Facilities*”.

“**Lot B**” has the meaning ascribed thereto in “*Part Two – Global NV -- Description of the Business of Global NV – Material Transactions and Developments – Acquisition of Land for Construction of Facilities*”.

“**Lot C**” has the meaning ascribed thereto in “*Part Two – Global NV -- Description of the Business of Global NV – Material Transactions and Developments – Acquisition of Land for Construction of Facilities*”.

“**Lot D**” has the meaning ascribed thereto in “*Part Two – Global NV -- Description of the Business of Global NV – Material Transactions and Developments – Acquisition of Land for Construction of Facilities*”.

“**Lot E**” has the meaning ascribed thereto in “*Part Two – Global NV -- Description of the Business of Global NV – Material Transactions and Developments – Acquisition of Land for Construction of Facilities*”.

“**Lot F**” has the meaning ascribed thereto in “*Part Two – Global NV -- Description of the Business of Global NV – Material Transactions and Developments – Acquisition of Land for Construction of Facilities*”.

“**Management**” means, collectively, the executive officers of the Company.

“**Material Adverse Change**” means any change of circumstances or any event which has, or would reasonably be expected to have, a material adverse effect in respect of the Company, any one or more changes, events or occurrences, and “**material adverse effect**” means, in respect of the Company, any change (or any condition, event or development involving a prospective change) in the business, operations, affairs (including the employment status of key employees), assets, liabilities (including any contingent liabilities that may arise through outstanding, pending or threatened litigation or otherwise) capitalization, financial condition, licenses, permits, rights or privileges of the Company or any of its subsidiaries which in the judgment of the Company, acting reasonably in the circumstances, could reasonably be expected to materially and adversely affect the Company and its subsidiaries taken as a whole or the value of the Common Shares.

“**Mergeco**” means Global NV Corp., the company resulting from the proposed Merger pursuant to the laws of the State of Nevada.

“**Merger**” means the proposed merger of Subco and Global NV, pursuant to the terms of the Merger Agreement. See “*Part One – The Company – Proposed Merger – Reverse Take-Over of the Company*”.

“**Merger Agreement**” has the meaning ascribed thereto under the heading “*Part Two – Global NV - Corporate Structure – Proposed Merger*”.

“**MD&A**” means Management’s Discussion and Analysis.

“**Modification Agreement**” means the agreement to modify the terms of the Global NV Notes and the Global NV Warrants as between the holders and Global NV (see “*Description of Securities of Global NV*”).

“**Named Executive Officers**” or “**NEOs**” has the meaning ascribed thereto in “*Part Two – Global NV - Executive Compensation – Summary of Executive Compensation*”.

“**NI 58-101**” means National Instrument 58-101 – Disclosure of Corporate Governance Practices promulgated by the Ontario Securities Commission.

“**Nutraceutical**” means a food containing health-giving additives and having medicinal benefit.

“**Person**” means any individual, partnership, association, body corporate, trust, trustee, executor, administrator, legal representative, government, regulatory authority or other entity.

“**Prospectus**” means the preliminary or final Prospectus, as the case may be, of the Company in respect of its application to list its Common Shares on the CSE.

“**Property**” means the property beneficially and legally owned by SP listed under the Acquisition Agreement.

“**R&D**” means research and development.

“**Reorganization**” has the meaning ascribed thereto in “*Part Three – Resulting Issuer - Consolidated Capitalization*”.

“**SEC**” means the United States Securities and Exchange Commission.

“**Securities Commissions**” means, collectively, the Alberta Securities Commission, the British Columbia Securities Commission and the Saskatchewan Securities Commission.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Senate Bill 2667**” has the meaning ascribed thereto under the heading “*Part Two – Global NV – Description of Business of Global NV – Key Dates and Events*”.

“**Series A Preferred Shares**” means the Series A Convertible Preferred Shares of CBD Global. See “*Part Three - The Resulting Issuer - Capitalization of the Resulting Issuer – Preferred Shares*”

“**Shareholder**” means a holder of Common Shares.

“**Shares**” means, collectively, the Common Shares and the Preferred Shares.

“**SMBT**” means SMBT, LLC, a Colorado limited liability company which is wholly owned by Global NV Corp.

“**SOPs**” means standard operating procedures, as further described under the heading “*Part Two – Global NV – Description of the Business of Global NV*”.

“**SP**” means Strasburg Pharms, LLC, a Colorado limited liability company which is wholly owned by Global NV Corp.

“**Subco**” means Global Sciences Corp., a Nevada corporation wholly owned by CBD Global.

“**Successor Issuer**” – has the meaning ascribed thereto in “*Part Three – Resulting Issuer - Consolidated Capitalization*”.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder.

“**THC**” means delta-9-tetrahydrocannabinol, a psychoactive chemical compound in cannabis.

“**Tinctures**” a concentrated liquid herbal extract. It is typically made by soaking herbs and other plant parts in alcohol for weeks to extract the active constituents.

“**TMX MOU**” has the meaning ascribed thereto in “*Part Two – Global NV -- Risk Factors of Global NV - Risks Relating to Regulatory Environment*”.

“**Topical**” means any substance that is applied to a particular place on or in the body. Most often topical administration means application to body surfaces such as the skin or mucous membranes to treat ailments via a large range of classes including creams, foams, gels, lotions, and ointments.

“**Transfer Agent**” means Capital Transfer Agency, the Company’s transfer agent and registrar.

“**Unit Shares**” means the Common Shares that form part of the Units offered for sale by the Company under this Prospectus.

“**U.S.**” or “**United States**” means the United States of America.

“**USDA**” means the United States Department of Agriculture.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended from time to time.

“**Warrant Shares**” means the Common Shares reserved for issuance pursuant to the Global NV Warrants issued and outstanding.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company

The Company was incorporated in the province of Alberta on August 30, 2018. Its registered and records office is located at 1250, 639 – 5th Avenue S.W., Calgary, Alberta T2P 0M9. The Company’s Common Shares do not currently trade on any stock exchange. See “*Part One – Company - Corporate Structure*”. As of the date of this Prospectus, the Company has 4,337,000 Common Shares issued and outstanding.

Principal Business of the Company

CBD Global is a private company incorporated under the ABCA on August 30, 2018. Since incorporation, the Company has been actively engaged in the identification of target companies for the purposes of completing a business combination and public listing and has identified Global NV as being suitable. The Company currently has no active business or assets other than cash and deferred transaction costs. The Company does not have a history of earnings, nor has it paid any dividends and does not currently generate earnings or pay dividends.

Business to be Acquired

On December 10, 2018, the Company signed a definitive agreement with Global NV for a three-cornered merger transaction which would constitute a proposed reverse take-over of the Company. Pursuant to the terms of the definitive agreement, also known as the Merger Agreement, a wholly owned subsidiary of CBD Global will merge with Global NV pursuant to a statutory procedure under Chapter 92A of Nevada Revised Statutes and, in connection with such Merger, each holder of Global NV Shares will receive one CBD Global Unit in exchange for each Global NV Share and the amalgamated corporation will become a wholly owned subsidiary of CBD Global (the “**Merger**”). The Merger Agreement is dated as of December 10, 2018 among CBD Global, Global NV and Subco. It is anticipated that, prior to the proposed Merger, CBD Global will consolidate the CBD Global Shares on a “0.5764353 for one” basis such that, immediately prior to the proposed Merger, CBD Global will have 2,500,000 CBD Global Shares issued and outstanding. It is then anticipated that, in connection with the Merger, CBD Global will issue 10,777,977 CBD Global Units to the holders of Global NV Shares.

In 2013, fueled with the desire to help his mother who had recently been diagnosed with stage 4 Lymphoma, Brad Wyatt, together with Glenn Dooley, longtime partner in other ventures and co-founder, set out to find a non-narcotic solution to the side effects of aggressive cancer treatments his mother was undergoing. Armed with a strong passion and entrepreneurial skills Mr. Wyatt rigorously examined the emerging science behind CBD and its benefits while leaving the effects of Delta 9 THC traditionally associated with Cannabis behind. In 2014, SP was formed and has operated its vertically integrated “*Seed-to-Sale*” operations in Strasburg, Colorado since that time. SP was issued the 48th license to commercially cultivate Industrial Hemp. Global NV continues to hold the requisite Colorado

Division of Agriculture Licenses that enable it to produce Industrial Hemp whether grown indoors or outdoors in the State of Colorado. Accommodating its business, Global NV has acquired approximately 175 contiguous acres (Lots A-C as described below) of farmable land through lease and purchase. Global NV has opportunities to lease or purchase up to an additional 3,485 acres (Lots D and E as described below) contiguous to its current 175 acres in Strasburg, Colorado. In addition, Global NV is evaluating land in the Pueblo and Lamar, Colorado areas, and the Pacific Northwest (Lots D-F as described below) where it intends to continue its farming and production operations and complete the following:

- expand its current 11,000 square feet of greenhouses (Facility A as described below) to approximately 30,000 square feet (Facilities A and B as described below) to be used for a nursery and the commercial indoor cultivation of Industrial Hemp plants for the 2019 growing and production;
- relocate headquarters to the Adams County site (Facility C as described below) which will be used as the Resulting Issuer's headquarters and for drying, processing and manufacturing, in addition to warehousing and distribution;
- erect its 13,000 square foot building (Facility D as described below), which was purchased in 2018 and is currently onsite in Strasburg, for the processing of the 2019 harvest into a stable hemp biomass state and/or extraction and conversion of the hemp biomass into isolate and distillate;
- commence preparations of the land for cultivation of five hundred to one thousand (500-1,000) acres of cultivation in 2019 and further expansion into additional acres thereafter;
- evaluate Lots D through F for additional farming bringing geographic diversity to Global NV's croplands mitigating negative natural impacts from sources such as weather and pests; and
- promoting the sale of consumer products through multiple channels including that for its Aethics and CannaOil brands and under private label products.

See "*Description of Business*".

Closing of the Merger Agreement will be subject to any necessary approvals of regulatory authorities and compliance with any required governmental and securities regulations. Closing is also conditional on approval for listing of the CBD Global Shares on the CSE. There is no assurance that the Merger Agreement will be completed on its current terms or at all.

As of the date of this Prospectus, the proposed Merger has not been completed.

Business Objectives and Milestones

The primary objective business objectives for the Company over the next twelve (12) months are:

- (a) to complete the proposed merger with Global NV;
- (b) to develop Global NV's business; and
- (c) to obtain a public listing.

No Securities Distributed and No Proceeds Raised

This Prospectus is a non-offering Prospectus. No securities will be distributed nor, will any proceeds be raised pursuant to this Prospectus.

The Company is funded by proceeds from private placement funding. These funds will be used to cover the Company's operating costs. See "*Use of Available Funds*."

Proceeds Raised Recently and Use of Available Funds

This Prospectus is a non-offering Prospectus and no proceeds will be raised pursuant to this Prospectus. The Company completed private placements on October 2, 2018 and December 5, 2018 pursuant to which it issued an aggregate 2,837,000 Common Shares for aggregate gross proceeds of \$183,700. These funds will be used for general working capital purposes while the Company continues its restructuring and works toward closing the proposed Merger with Global NV. See "*Use of Available Funds*".

As of December 31, 2018, Global NV had audited total assets of \$6,000,983, working capital of \$586,905 and an accumulated deficit of \$3,283,828. As of February 28, 2019, the Company had total audited assets of \$144,831 and \$144,831 of working capital available.

See “*Part One – Company - Use of Available Funds*” and “*Appendix B Management’s Discussion and Analysis*.”

Listing

The Company intends to apply for a Listing to have its shares listed on the CSE; however, as of the date of this Prospectus, the Company has not applied for nor received conditional approval from the CSE. Such a Listing will be subject to the Company fulfilling all of the requirements of the CSE, meeting certain financial and other requirements including receiving a receipt for this non-offering Prospectus from the Securities Commissions.

Directors

- Brad Wyatt
- Glenn Dooley
- Scott Hix
- Scott Reeves
- Ron Lavigne

See “*Directors and Officers*.”

Officers and Senior Management

Brad Wyatt – Chief Executive Officer and President
 Glenn Dooley – Chief Operating Officer and Secretary
 Albert Taylor – Chief Financial Officer

See “*Directors and Officers*”

Summary of Financial Information

The table below summarizes selected financial data for the periods indicated and should be read in conjunction with the Consolidated Financial Statements and the Management’s Discussion and Analysis attached as **Appendices “A” and “B”** of this Prospectus.

Summary of Select Financial Information is derived from the Company’s audited financial information for the period ended February 28, 2019	February 28, 2019 (\$) (audited)
Total Revenues	Nil
Total Income (Loss)	(59,369)
Basic and diluted earnings (loss) per share	(0.02)
Total Assets	144,831
Total Long-Term Liabilities	Nil

Risk Factors

The activities of the Company are subject to the risks normally encountered in a company undertaking a reverse take-over transaction with a company with a growing business, including: negative operating cash flow; lack of adequate capital; liquidity concerns and future financing requirements to sustain operations; competition; government regulation; completion of the proposed Transaction; and risks associated with the target company’s business including uncertainty regarding penetration of the target market. See “*Risk Factors Regarding the Company*” and “*Risk Factors for the Global NV Business*”.

NOTE TO INVESTORS

About this Prospectus

Certain technical terms used throughout this Prospectus are defined in the Glossary.

Any statements in this Prospectus made by or on behalf of Management are made in such persons' capacities as officers of the Company and not in their personal capacities.

Investors should rely only on the information contained in this Prospectus and are not entitled to rely on certain parts of the information contained in this Prospectus to the exclusion of others. The Company has not authorized anyone to provide investors with additional or different information. Information that is not contained in this Prospectus is not intended to be included in or incorporated by reference into this Prospectus and prospective investors should not rely on such information when deciding whether or not to invest in the Company. Any graphs, tables or other information demonstrating our historical performance contained in this Prospectus are intended only to illustrate past performance and are not necessarily indicative of the Company's future performance. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date otherwise indicated, regardless of the time of delivery of this Prospectus. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

Investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.

Investors are urged to read the information under the headings “Forward-Looking Statements,” “Forward-Looking Statements relating to Growth Strategy,” and “Risk Factors” appearing elsewhere in this Prospectus.

Industry and Market Data

Unless otherwise indicated, information contained in this Prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market share, is based on information from independent industry analysts and third-party sources (including industry publications, surveys and forecasts) and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us based on such data and our knowledge of our industry and markets, which we believe to be reasonable. None of the sources cited in this Prospectus has consented to the inclusion of any data from its reports, nor have we sought their consent. Our internal research has not been verified by any independent source, and we have not independently verified any third-party information. While we believe the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of our future performance and the future performance of our industry and the markets in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the “Forward-Looking Statements” and “Risk Factors” sections of this Prospectus and elsewhere in this Prospectus.

These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties or by us.

Presentation Currency

The closing, high, low and average exchange rates for the United States dollar in terms of Canadian dollars for each of the years ended December 31, 2018, 2017 and December 31, 2016 as reported by the Bank of Canada, were as follows:

	Year Ended December 31		
	2018 (C\$)	2017 (C\$)	2016 (C\$)
Closing ¹	1.2517	1.2545	1.3427
High ²	1.3642	1.3743	1.4559
Low ²	1.2288	1.2128	1.2536
Average ³	1.2957	1.2986	1.3248

¹ The exchange rates are nominal quotations (not buying or selling rates) of the applicable rates published by the Bank of Canada and are intended for statistical purposes.

² Calculated as an average of the daily closing rates for 2017 and 2018 as a result of changes to the reporting methodology of the Bank of Canada implemented after April 28, 2017.

On May 1, 2019, the Bank of Canada daily average rate of exchange was CDN\$1.00 = US\$0.7454 or US\$1.00 = CDN\$1.3416.

PART ONE – THE COMPANY

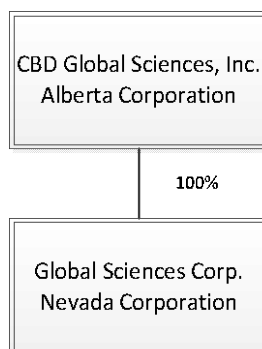
CORPORATE STRUCTURE OF CBD GLOBAL

Name, address and incorporation

The Company was incorporated under the laws of Alberta pursuant to the ABCA on August 30, 2018 under the name “2140351 ALBERTA LTD.” On October 2, 2018 the Company filed a Certificate of Amendment changing its name to “CBD Global Sciences Inc.” The Company’s registered, records, and head office is located at 1250, 639 – 5th Avenue S.W., Calgary, Alberta T2P 0M9. The Company’s Common Shares do not currently trade on any stock exchange.

Intercorporate Relationships

The Company currently has one wholly-owned subsidiary, Global Sciences Corp. (“**Subco**”), a corporation incorporated under Chapter 78 of the Nevada Revised Statutes (United States) on May 2, 2018. The organizational chart for the Company is set out below.



Global Sciences Corp.

Global Sciences Corp., a wholly-owned subsidiary of the Company, was incorporated under Chapter 78 of the *Nevada Revised Statutes* (United States) in the State of Nevada on May 2, 2018, for the purpose of completing the proposed Merger (see “*Part Two – Global NC - Description of Business of Global NV – Material Transactions and Developments – Proposed Merger with Global NV Corp.*”). The survivor of the proposed Merger will be Global NV Corp. The address of Global Sciences Corp’s registered agent for service is The Corporation Trust Company of Nevada, 701 S Carson Street, Ste. 200, Carson City, Nevada 89701, United States.

DESCRIPTION OF THE BUSINESS

CBD Global is a private company incorporated under the ABCA on August 30, 2018. Since incorporation, the Company has been actively engaged in the identification of target companies for the purposes of completing a business combination and public listing. The Company currently has no active business or assets other than cash and deferred transaction costs. The Company does not have a history of earnings, nor has it paid any dividends and does not currently generate earnings or pay dividends.

³ Calculated as an average of the daily noon rates for 2016.

On August 30, 2018, the Company completed a seed financing of 1,500,000 Common Shares issued at a price of CDN\$0.02 per share for gross proceeds of CDN\$30,000. On October 2, 2018, the Company completed a non-brokered private placement offering of 2,000,000 Common Shares issued at a price of CDN\$0.05 per share for gross proceeds of CDN\$100,000. On December 5, 2018, the Company completed a non-brokered private placement offering of 837,000 Common Shares issued at a price of CDN\$0.10 per share for gross proceeds of CDN\$83,700. The proceeds received from the private placements are being used for general working capital purposes while the Company continues its restructuring and works toward completing the proposed Merger with Global NV.

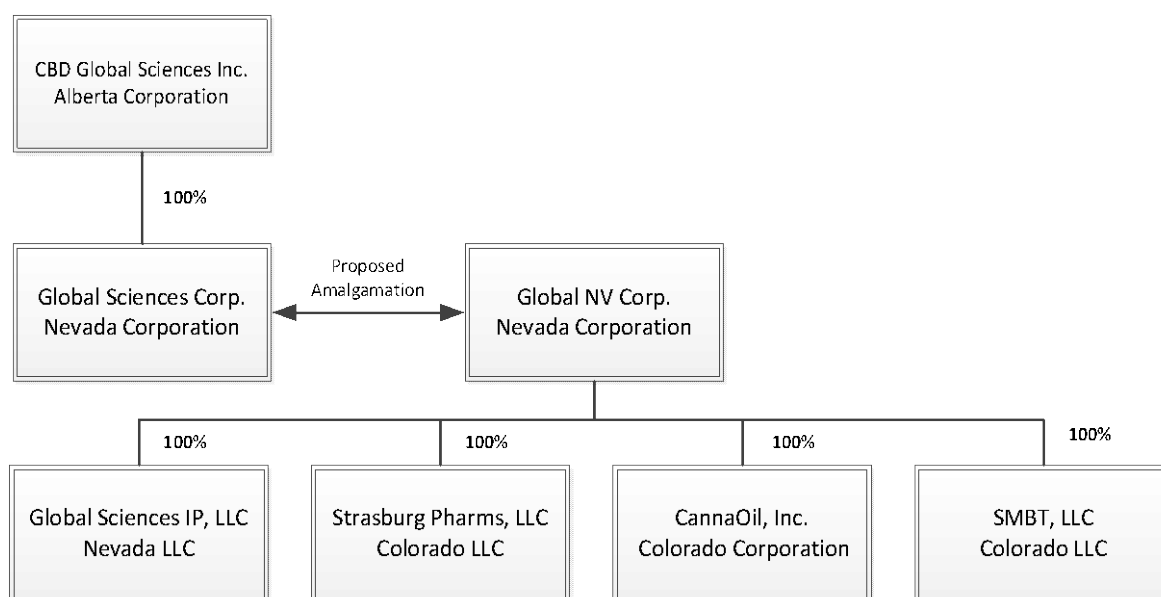
No Asset-Backed Securities Outstanding

The Company has no asset-backed securities outstanding.

PROPOSED MERGER - REVERSE TAKE-OVER OF THE COMPANY

The Company signed the Merger Agreement with Global NV on December 10, 2018 for a three-cornered merger transaction which will constitute a reverse take-over of the Company. Pursuant to the terms of the Merger Agreement, Global NV will amalgamate with Subco, a wholly owned subsidiary of CBD Global, pursuant to a statutory procedure of the Nevada Revised Statutes and, in connection with such proposed merger, each holder of Global NV Shares will receive one CBD Global Unit in exchange for each Global NV Share (the “**Proposed Merger**”) (see “Part 3 – Global NV – Description of Share Capital”). Global NV is a private company incorporated in Nevada which provides “Seed-to-Sale” Industrial Hemp cultivation, and the resulting conversion to biomass and manufacturing of CBD infused consumer products. See “Business of Global NV” in Part One of this Prospectus.

The Company is a private company incorporated in Alberta.



Consolidation by the Company

Immediately prior to the proposed Merger, the Company will file Articles of Amendment under the ABCA to consolidate the CBD Global Shares on a “0.5764353 for one” basis.

Merger Agreement

Pursuant to the terms of the Merger Agreement, following the CBD Global Special Meeting, Global NV and Subco will amalgamate under the Nevada Revised Statutes to form one corporation (“**Mergeco**”):

- (a) Mergeco’s name will be “**Global NV Corp.**”

- (b) Mergeco's articles will be the articles of Global NV;
- (c) The minimum number of directors of Mergeco will be three (3) and the maximum number of directors will be eleven (11);
- (d) The initial directors of Mergeco will be:
 - (i) Brad Wyatt,
 - (ii) Glenn Dooley,
 - (iii) Scott Reeves,
 - (iv) Scott Hix, and
 - (v) Ron Lavigne;
- (e) The initial officers of Mergeco will be:
 - (i) Chief Executive Officer – Brad Wyatt,
 - (ii) Chief Financial Officer – Albert Taylor, and
 - (iii) Chief Operating Officer – Glenn Dooley;
- (f) The authorized capital of Mergeco will be 11,000,000 common shares;
- (g) The paid-up capital of Mergeco will be the aggregate of the paid-up capital of Global NV and Subco; and
- (h) Mergeco will possess all of the property, assets, rights and privileges and will be subject to all of the liabilities and all of the contracts, disabilities and debts of Global NV and Subco.

Also, in connection with the Merger, the directors and officers of CBD Global (then the “**Resulting Issuer**”) will be as follows:

- (a) The directors of the Resulting Issuer will be:
 - (i) Brad Wyatt,
 - (ii) Glenn Dooley,
 - (iii) Scott Reeves,
 - (iv) Scott Hix, and
 - (v) Ron Lavigne;
- (b) The officers of the Resulting Issuer will be:
 - (i) Chief Executive Officer – Brad Wyatt,
 - (ii) Chief Financial Officer – Albert Taylor, and
 - (iii) Chief Operating Officer and Corporate Secretary – Glenn Dooley.

In connection with the proposed Merger, the Company will issue, and each holder of Global NV Shares will receive, one (1) CBD Global Unit in exchange for each one (1) Global NV Share held immediately prior to the Closing Date.

Completion of the proposed Merger is subject to satisfaction or waiver of conditions for the benefit of both parties, conditions for the benefit of Global NV and conditions for the benefit of CBD Global (see **Appendix C** for a copy of the Merger Agreement), including the following:

- (a) all required regulatory, Exchange, governmental, third party, shareholder and Board approvals shall have been obtained;
- (b) no material action or proceeding existing or threatened which would prohibit the proposed Merger or any other aspect of the proposed Merger or result in material damages relating thereto;
- (c) each party shall have performed its covenants in the Merger Agreement;
- (d) each party's representations and warranties shall be true and correct in all material respects;
- (e) no material adverse changes shall have occurred in the business, prospects or affairs of either party;

- (f) the issued and outstanding share capital of each of CBD Global and Global NV shall be as stated in the Merger Agreement and set out in this Prospectus;
- (g) the Company shall be seeking to be a reporting issuer in the Provinces of Alberta and British Columbia and neither the Company nor its shares shall be the subject of any cease trade order or regulatory enquiry or investigation in any jurisdiction;
- (h) Global NV shall be satisfied that, upon closing of the proposed Merger, all regulatory requirements have been or are capable of being satisfied, including satisfaction of the minimum listing requirements of the CSE and any other requirement of the CSE;
- (i) the CSE shall have provided its conditional approval of listing of the Resulting Issuer Shares;
- (j) Global NV receiving the Company's Financial Statements and such other financial statements as may be required by the CSE;
- (k) the Company shall have authorized the creation of the Series A Preferred Shares;
- (l) all directors of the Company shall have agreed to resign from their offices effective as of the Closing Date, and four nominees of Global NV shall be appointed as directors of the Company;
- (m) Global NV shall have working capital sufficient to satisfy all contingent liabilities;
- (n) the Company shall have received receiving Global NV's Financial Statements and such other financial statements as may be required by the CSE;
- (o) the Company shall have received favourable legal opinions respecting the shares of Global NV;
- (p) the respective Boards of CBD Global and Global NV shall not have withdrawn, modified or changed any of their respective recommendations, approvals, resolutions or determinations in respect of the proposed Merger in a manner materially adverse to the other party;
- (q) those holders of Global NV Shares required to be exchanged for Escrowed Securities shall have agreed to enter into an escrow agreement contemplated by the Merger Agreement as described in this Prospectus and to deposit their Escrowed Securities in accordance therewith; and
- (r) each of CBD Global and Global NV and their respective officers and directors shall have completed the various steps, acts and events required to implement the proposed Merger and other aspects of the proposed Merger.

An annual and special meeting of the shareholders of the Company (the “**CBD Global Special Meeting**”) was held on January 24, 2019, for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Company for the period ended August 31, 2018;
- (b) to re-appoint the auditors and, if the proposed Merger is implemented, to approve new auditors;
- (c) to elect directors;
- (d) to authorize the Board to change the number of directors between shareholder meetings;
- (e) to approve the Company's Stock Option Plan;
- (f) to ratify the Merger Agreement;
- (g) to approve the Consolidation;
- (h) to approve an amendment to the Articles of the Company to create the Series A Preferred Shares; and

- (i) to approve any and all other aspects necessary or advisable for completion of the proposed Merger.

A special meeting of the shareholders of Global NV was called and held on November 30, 2018, for the following purposes:

- (a) to approve the Merger Agreement; and

- (b) to approve any and all other aspects necessary or advisable for completion of the proposed Merger.

At the Global NV special meeting of shareholders, shareholders holding more than eighty-five percent (85%) of the Global NV Shares issued and outstanding at that time were present in person or represented by proxy. Global NV received approval for each of the matters referred to above, with one hundred percent (100%) of the votes cast being in favour.

At the CBD Global special meeting of shareholders, shareholders holding more than sixty-one percent (61%) of the CBD Global Shares issued and outstanding at that time were present in person or represented by proxy. CBD Global received approval for each of the matters referred to above, with one hundred percent (100%) of the votes cast being in favour.

As of the date of this Prospectus, the proposed Merger has not been completed.

USE OF AVAILABLE FUNDS

Proceeds

This is a non-offering Prospectus. The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds.

Total Available Funds

CBD Global had net working capital of approximately \$144,831 as of February 28, 2019. Global NV had working capital of \$586,905 as of December 31, 2018. Accordingly, as at February 28, 2019, the Resulting Issuer had working capital (after deducting the estimated costs of the proposed Merger, including the estimated costs of this Prospectus but before deducting ongoing operating expenses of Global NV) of approximately \$681,736. In March 2019, holders of Global NV Notes in the principal amount of \$175,000 exercised their option to convert their Global NV Notes into shares of Global NV Common Stock and the maturity date of the Global NV Notes in the principal amount of \$3,275,000 was extended to October 2, 2020. Additionally, three promissory notes totaling \$588,198 were extended in March 2019 to mature in December 2020 and March of 2021. These transactions increased the working capital of Global NV by \$3,021,963 to \$3,770,805.⁴

As of December 31, 2018, Global NV had a cash balance of \$320,331 compared to \$4,286 at the prior year-end of December 31, 2017. The increase in cash was a result of the closing of convertible debt and advances toward convertible debt of private placement financings producing gross proceeds of \$3,216,750. As of December 31, 2018, Global NV had other current assets of \$4,235,240. Current liabilities of Global NV as at the year ended December 31, 2018 were \$3,968,666, compared to \$600,349 at the prior year-end of December 31, 2017, as a result of advances from the convertible debt offering of \$3,600,000.

Principal Purposes

Assuming that the proposed Merger is completed, in May 2019 the Company expects that its monthly expenses will be approximately \$76,674 per month as described in the table set out below. Accordingly, over the twelve-month period from June 1, 2019 to May 31, 2020, the Company expects the Resulting Issuer to expend an aggregate of

⁴ Noteholders holding Global NV Notes in the principal amount of \$150,000 neither exercised their option to convert their Global NV Notes to Global NV Common Stock or extend the maturity date resulting in these Global NV Notes retaining their original maturity of October 2, 2019.

approximately \$920,088. Over the 18-month period from June 1, 2019 to November 30, 2020, the Company expects the Resulting Issuer to expend an aggregate of approximately \$1,380,132.

Principal Purposes for the eighteen months from June 1, 2019 to November 30, 2020	Amount (\$)
General, Administrative & Travel Expenses	9,360
Accounting and Audit	1,706
Media & Communications	4,973
Management & Consulting	55,500
Patent, Trademark Legal & Application Fees	0
Reporting issuer compliance expenses	5,135
Total Monthly Expenditures:	76,674
Total Eighteen (18) Month Expenditures	1,380,132

Capital Expenditures

In the following 18 months, the Company has the following capital expenditures planned:

- (a) In the second quarter of 2019, the Company plans to commence building an 18,000 square foot greenhouse on Lot B or alternatively lease greenhouse space to support the expansion of Global NV's nursery operations and potentially limited year around growing;
- (b) Purchase additional farm equipment including a planter, cultivator and a hemp dryer;
- (c) Purchase of additional processing equipment;
- (d) Construction of a drying and future processing facility in the second quarter of 2019, to accommodate the drying and processing of hemp, commercial extraction, infusion and production of CBD oils, cannabis extracts, CBD infused products;
- (e) Expansion of drying and processing facility in the fourth quarter of 2020.

The construction of the above facilities is expected to cost approximately \$950,000 over the following 24 months, and \$226,000 in additional farm equipment. The Company plans to fund future capital expenditures through revenue generated from sales of Biomass and CBD oil products. Any remaining cost of the expansion will be funded through promissory notes.

Total Other Funds Available

On October 2, 2018 and December 5, 2018, the Company closed private placements in the aggregate amount of \$183,700. There are no other funds available to the Company, other than as described in this Prospectus.

Unallocated Funds in Trust or in Escrow

There are no unallocated funds in trust or in escrow.

Other Sources of Funding

There are no other sources of funding.

DIVIDEND POLICY OF THE COMPANY

The Company has not paid any dividends on its Common Shares, and the Board does not expect to declare or pay any dividends on the Common Shares in the foreseeable future. Payment of any dividends will be dependent upon the Company's future earnings, its financial condition, and other factors that the Board determines are relevant.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY

Management's discussion and analysis of the Company for the period ended February 28, 2019 are included in **Appendix B** to this Prospectus and should be read in conjunction with the audited annual consolidated financial statements of the Company for the period ended February 28, 2019 and the related notes thereto, included in this Prospectus in **Appendix A** and to which the management's discussion and analysis of the Company relates.

DESCRIPTION OF SECURITIES OF THE COMPANY

Common Shares

The Company is authorized to issue an unlimited number of Class A common shares without nominal or par value.

As at the date of this Prospectus, the Company has 4,337,000 common shares issued and outstanding. Holders of common shares are entitled to one vote per share upon all matters on which shareholders have the right to vote. The common shares do not have pre-emptive rights and are not subject to redemption or retraction provisions. The Company may, if authorized by its Board, purchase or otherwise acquire any of its common shares at a price and upon the terms determined by the directors. Holders of the common shares are entitled to receive such dividends as may be declared by its Board of Directors out of funds legally available therefor. In the event of dissolution or winding up of the affairs of the Company, holders of the common shares are entitled to share ratably in all assets of the Company remaining after payment of all amounts due to creditors.

Class B Common Shares

The Company is authorized to issue an unlimited number of Class B common shares without nominal or par value of which, as at the date hereof, there are currently none issued and outstanding.

Preferred Shares

The Company is authorized to issue an unlimited number of preferred shares without nominal or par value of which, as at the date hereof, there are currently none issued and outstanding.

The preferred shares may be issued from time to time in one or more series, each series consisting of the number of shares and having the designation, rights, privileges, restrictions and conditions which the board of directors of the Company determines prior to the issue thereof. The preferred shares rank prior to the common shares with respect to the payment of dividends and distribution in the event of liquidation, dissolution or winding-up of the Company.

Series A Preferred Shares

Pursuant to the shareholder meeting held on January 24, 2019, and as a condition to the closing of the proposed Merger, CBD Global created 500,000 Series A Preferred Shares in accordance with the terms set out in Schedule "C" to the Merger Agreement, which is attached as **Appendix C** hereto. The holders of Series A Preferred Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of CBD Global Common Shares and each Series A Preferred Share holder shall have the right to one vote for each Common Share into which such Series A Preferred Share could then be converted (one hundred (100) CBD Global Common Shares) in person or by proxy at all meetings of the shareholders of CBD Global. The holders of the Series A Preferred Shares are entitled to receive such dividends as may be granted to holders of the CBD Global Common Shares in any financial year as the Board of CBD Global may by resolution determine, on an as-converted basis. In the event of the liquidation, dissolution or winding-up of CBD Global, whether voluntary or involuntary, the holders of the Series A Preferred Shares are entitled to receive the remaining property and assets of CBD Global together with the holders of CBD Global Common Shares, on an as-converted basis. The Series A Preferred Shares each have a restricted right to convert into one hundred (100) CBD Global Common Shares. The ability to convert the Series A Preferred Shares is subject to a restriction that the aggregate number of Common Shares and Series A Preferred Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rules 3b-4 and 12g3-2(a) under the Securities Exchange Act of 1934, as amended, may not exceed forty percent (40%) of the aggregate number of CBD Global Common Shares and Series A Preferred Shares issued and outstanding after

giving effect to such conversions. In addition, the Series A Preferred Shares will be automatically converted into CBD Global Common Shares in certain circumstances, including upon the registration of the CBD Global Common Shares under the *United States Securities Act of 1933*, as amended.

CONSOLIDATED CAPITALIZATION OF THE COMPANY

The Company as of the date of this Prospectus has a total of 4,337,000 Common Shares issued and outstanding. The following table sets forth the share and loan capital of the Company as at the dates shown below.

	Authorized Capital	Outstanding as at February 28, 2019	Outstanding as at the date of this Prospectus
Common Shares	Unlimited	4,337,000	4,337,000
Warrants	Nil	Nil	Nil
Options	Nil	Nil	Nil
Other Rights	Nil	Nil	Nil

Notes:

- (1) Excluding Common Shares issuable pursuant to the Merger Agreement.
- (2) The Company has a Stock Option Plan allowing its Board to grant incentive stock options to directors, officers, employees and consultants aggregating up to ten percent (10%) of the number of issued and outstanding Common Shares at the applicable time.
- (3) Following the Consolidation, the Company will have 2,500,000 Common Shares issued and outstanding.

OPTIONS TO PURCHASE SECURITIES OF THE COMPANY

There are no stock options issued by the Company under its incentive stock option plan as of the date of this Prospectus.

PRIOR SALES OF SHARES OF THE COMPANY

In the past twelve (12) months, the Company has completed a series of private placements of Common Shares, details of which are set out in the table below.

Date	Description	Price per Share⁽¹⁾	Shares Issued⁽¹⁾	Gross Proceeds
August 29, 2018	Private Placement	\$0.02	1,500,000	\$30,000
October 2, 2018	Private Placement	\$0.05	2,000,000	\$100,000
December 5, 2018	Private Placement	\$0.10	837,000	\$83,700

Notes:

- (1) Prior to effecting the Consolidation.

The Company's Common Shares currently are not listed and do not trade on any stock exchange. The Company intends to apply for a Listing to have its shares listed on the CSE; however, as of the date of this Prospectus, the Company has not applied for nor received conditional approval from the CSE. Such a Listing will be subject to the Company fulfilling all of the requirements of the CSE, meeting certain financial and other requirements including receiving a receipt for this non-offering Prospectus from the Securities Commissions.

ESCROWED SECURITIES

Currently, none of the Company's Common Shares are subject to any escrow arrangements.

Concurrently with the completion of the proposed Merger, the Company will enter into an Escrow Agreement with Capital Transfer Agency, pursuant to which its Resulting Issuer's Named Executive Officers, directors, other Insiders and certain other shareholders will deposit all of their Common Shares and Series A Preferred Shares (collectively, "**CBD Global Securities**") in escrow as set out below.

Time or event for release of Escrowed Securities	Percentage of CBD Global Securities to be Released	Number of CBD Global Securities to be Released
On the Escrow Commencement Date	10% of the Escrowed Securities	605,914 Common Shares 16,894 Series A Preferred Shares
6 months after the Escrow Commencement Date	15% of the Escrowed Securities	908,871 Common Shares 25,341 Series A Preferred Shares
12 months after the Escrow Commencement Date	15% of the Escrowed Securities	908,871 Common Shares 25,341 Series A Preferred Shares
18 months after the Escrow Commencement Date	15% of the Escrowed Securities	908,871 Common Shares 25,341 Series A Preferred Shares
24 months after the Escrow Commencement Date	15% of the Escrowed Securities	908,871 Common Shares 25,341 Series A Preferred Shares
30 months after the Escrow Commencement date	15% of the Escrowed Securities	908,871 Common Shares 25,341 Series A Preferred Shares
36 months after the Escrow Commencement Date	15% of the Escrowed Securities	908,871 Common Shares 25,341 Series A Preferred Shares

PRINCIPAL SECURITY HOLDERS OF THE COMPANY

To the knowledge of management of the Company, the following table lists those persons who own ten percent (10%) or more of the issued and outstanding common shares as at the date hereof.

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned as at the date of this Prospectus⁽¹⁾	Percentage of CBD Global Securities Owned After Giving Effect to the Consolidation and proposed Merger
Velocity Capital Ltd. Hamilton, Bermuda	Direct	2,000,000	45.55%	14.02% of the Common Shares 8.16% of the Series A Preferred Shares ⁽²⁾
Sandra Dosdall Calgary, Alberta	Direct	625,000	14.23%	2.23% of the Common Shares 0% of the Series A Preferred Shares
Ariane Young Calgary, Alberta	Direct	625,000	14.23%	2.23% of the Common Shares 0% of the Series A Preferred Shares
TOTAL		3,250,000	74.01%	18.48% of the Common Shares 8.16% of the Series A Preferred Shares

Notes:

(1) No Series A Preferred Shares are issued and outstanding as at the date of this Prospectus.

- (2) The percentage of overall voting securities owned by Velocity Capital after giving effect to the Consolidation and proposed Merger will be 9.90%.

DIRECTORS AND OFFICERS OF THE COMPANY

The following table lists the directors and officers of the Company prior to giving effect to the proposed Merger:

Name and Municipality of Residence	Positions and Offices to be Held	Principal Occupation During the Past Five Years⁽¹⁾	Common Shares Beneficially Owned⁽³⁾	Date of Appointment
Kelly Balaberda ⁽²⁾ <i>Calgary, Alberta</i>	President, Chief Executive Officer and Director	Business Consultant, Balaberda Holdings Inc. since May 2018. From 2008 until May 2018, securities specialist with Investor Group.	250,000	August 2018
Sandra Dosdall ⁽²⁾ <i>Calgary, Alberta</i>	Secretary/Treasurer and Director	Controller for Greenstar Biosciences Inc., a Calgary-based biological sciences investment firm active in the legal cannabis industry since May 2018. Managing Director, Dosdall Properties Inc. since 2003.	625,000	August 2018
Ariane Young ⁽²⁾ <i>Calgary, Alberta</i>	Director	Partner, TingleMerrett LLP (Calgary-based law firm)	625,000	August 2018

Notes:

- (1) For a complete description of the proposed directors, officers and other management personnel of the Resulting Issuer, see “*Proposed Management of the Resulting Issuer*” below.
- (2) Member of the Company’s audit committee.
- (3) Prior to giving effect to the Consolidation and proposed Merger.

The terms of the foregoing directors and officers will expire at the next annual shareholders meeting although, as described in this Prospectus, in the event that the proposed Merger is completed, it is anticipated that the directors will resign as directors of the Company and be replaced by nominees of Global NV and the two officers referred to above will be replaced by nominees of Global NV (see “*Directors, Executive Officers and Principal Shareholders of the Resulting Issuer*” in Part Three below).

Biographies

Kelly Balaberda, President, Chief Executive Officer and Director

Mr. Balaberda began his professional career in the pharmaceutical industry. He graduated with Distinction receiving a Bachelor of Pharmaceutical Sciences in 1997 from the University of Saskatchewan. He practiced as a staff pharmacist for three years before spending the following six years in management, including the successful pharmacy launch for a major retailer. Seeking a career in the financial industry, Kelly has since earned the designation of Chartered Investment Manager (CIM®) along with the Fellow of the CSI (FCSI®). From 2008 until May 2018, Kelly spent the last decade as a Securities Specialist with Investor Group where he provided product knowledge and portfolio advisory to clients through analysis of stocks, bonds and investment strategies. Since May 2018, Kelly has been self-employed business consultant working with companies listing on Canadian stock exchanges.

Sandra Dosdall, Secretary/Treasurer and Director

Ms. Dosdall is currently controller for Greenstar Biosciences Inc., a Calgary-based biological sciences investment firm active in the legal cannabis industry. Since 2003, she has been Managing Director of Dosdall Properties Inc., a Calgary-based investment and business consulting firm with gross revenues in excess of \$3 million, and President of Douglas Design Associates Inc., a residential design firm with offices in Calgary, Alberta.

Ariane Young, Director

Ms. Young is a partner at TingleMerrett LLP, a Calgary-based corporate and securities law firm, joining the firm in 2006. She has been practicing law since 1994 in the areas of corporate securities, corporate finance and general corporate commercial transactions. A large portion of Ariane's legal practice involves emerging issuers that are either planning to list on an exchange or to merge their business with a larger entity. Ms. Young obtained her law degree (LLB) in 1993 from the University of British Columbia and a Bachelor of Arts in Philosophy (Honours) and Political Science from the University of Calgary in 1990. Ariane is an instructor for the annual TSX Venture Exchange Success Workshop.

Aggregate Ownership of Securities

Prior to giving effect to the proposed Merger, the directors and officers of the Company, as a group, directly or indirectly, beneficially own 840,500 Common Shares of the Company, representing approximately 15.9% of the issued and outstanding Common Shares of the Company on an undiluted basis.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the directors, officers or other members of management of the Company has, within the past ten years, been a director, officer or promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order that denied the issuer access to any statutory exemptions for a period of more than thirty (30) consecutive days; or:
- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No director or executive officer of the Company has, within the past ten years, been subject to any penalties or sanctions imposed by a court or by a securities regulator authority relating to securities legislation or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No current or proposed director of the Company has, within the past ten years, been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as directors or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and behalf of other companies, and situations may arise where directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies of the ABCA.

EXECUTIVE COMPENSATION OF THE COMPANY

Named Executive Officers

As defined under applicable securities legislation, the Company had two “*Named Executive Officers*” during the financial period ended February 2, 2019 as set out below:

Kelly Balaberda: President and Chief Executive Officer since August 30, 2018.

Sandra Dosdall: Chief Financial Officer and Secretary since August 30, 2018.

Summary Compensation Table

The following table sets out certain information respecting the compensation paid to the CEO and Treasurer and each of the directors, up to the end of the Company’s most recently completed financial period. As at February 28, 2019, no officers were paid any compensation for services rendered in all capacities. These individuals, acting as CEO and Treasurer, are referred to collectively as the “*Named Executive Officers*” or “*NEOs*.”

Amounts reported in the tables that follow are in CDN dollars and further details and explanations as may be required are provided in the footnotes.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Fiscal Period Ended Feb 28	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Kelly Balaberda <i>Director, President and Chief Executive Officer</i>	2019	834	Nil	Nil	Nil	Nil	Nil
Sandra Dosdall <i>Secretary/ Treasurer and Director</i>	2019	14,791	Nil	Nil	Nil	Nil	Nil
Ariane Young <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil

External Management Companies

None of the Named Executive Officers are employees of the Company. The Company has not entered into any agreements or arrangements with any external management company for the provision of services by any of the Named Executive Officers.

Stock Options and Other Compensation Securities

The Company issued no stock options or other compensation securities during the fiscal period ended February 28, 2019.

No stock options or other compensation securities were exercised during the fiscal period ended February 28, 2019.

No stock options or other compensation securities were issued or outstanding as the end of the fiscal period ended February 28, 2019.

Stock Option Plans and Other Incentive Plans

The Company has not established a formal stock option plan or any other incentive plan. The Company plans to establish and seek shareholder approval of the stock option plan at the CBD Global Special Meeting.

Employment, Consulting and Management Agreements

There are no management functions of the Company that are to any substantial degree performed by a person or Company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

Director Fees

Directors of the Company currently do not receive any compensation from the Company. There are no additional fees currently paid for membership or chairpersonship on any committee.

Oversight and description of director and named executive officer compensation

Given the Company's current size and stage of development, the Board has not appointed a compensation committee and, accordingly, the Board as a whole is responsible for determining the compensation (including long term incentives in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing any independent members of the Board with considerable input as to executive compensation.

Executive Compensation Program

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company and may include a "**pay-for-performance**" element which supports the Company's commitment to delivering strong performance for its shareholders. We believe that, when the Company acquires a business or major assets or otherwise engages in significant business activities, adequate and appropriate compensation for our executive officers will be key to ensuring the continuity of high quality management who will provide strong leadership and stewardship for the Company.

The Board and its committees must also address the risks associated with the overall executive compensation program. The Audit Committee is responsible for assessing the risks which may arise from the Company's compensation policies and practices.

Executive compensation is generally comprised of three elements: base fees (may be consulting fees) or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (stock options). When the Company acquires a business or major assets or otherwise engages in significant business activities, the Company anticipates that a compensation program will be created, designed to reward the following objectives:

1. The ongoing day-to-day commitment of the Company's executive team in managing the Company's business and affairs, fulfilling their job responsibilities, and advancing the Company's business plan. This objective will be covered by salaries or consulting fees; and
2. The commitment to long-term growth and increased shareholder value as determined through the Company's share price. This objective will be addressed through the awarding of stock options under the Company's stock option plan.

Base Fees and Discretionary Bonuses

Base fees or salaries are compensation for ongoing job responsibilities and reflect the level of skills, experience, expertise, and capabilities demonstrated by the executive officers. Normally, executive officers and the board of directors meet to determine what both sides consider to be fair and reasonable base fees or salaries. The board of

directors must give final approval for these compensation arrangements. When considering the base compensation to be paid to executive officers, the board of directors must consider the risk that, if the compensation is not adequate, it might not attract the best available individuals or it might result in a high turnover rate of executive officers, either of which could be detrimental to the Company. As an early stage enterprise, however, it will be necessary for the board of directors to strike a balance in this regard so that the compensation is not so high that the Company is unable to meet its obligations to its executive officers over the long term which could result in loss of that officer and the corporate knowledge and expertise that officer represents.

Executive officers are also eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, the achievement of individual and corporate objectives, and the Company's financial performance. Cash bonuses are intended to reward the executive officers for meeting or exceeding individual and corporate performance objectives set by the Board. As at the date of this Prospectus, the Company has not paid out any such bonuses and has not set any objectives whereby our executive officers might earn such bonuses at this time, other than as noted herein. It is the intention of the Board to review this element of the Company's compensation program, both prior to and following the completion of the proposed Merger, to determine the impact, including the benefits and risks that offering short-term incentives to the Company's executives would have on the overall performance of the Company and its management team.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance as measured through the price of the Company's shares and enable executives to acquire and maintain an ownership position in the Company.

Option-Based Awards

Executive officers of the Company, as well as directors, employees and consultants, will be eligible to participate in the Company's stock option plan to receive grants of stock options. The Board as a whole approves individual stock option grants and the size of the option grant is dependent on, among other things, each officer's level of responsibility, authority, and importance to the Company and the degree to which an officer's long-term contribution to the Company is crucial to its overall long-term success.

Periodic stock option grants ensure that the number of options granted to any particular executive officer is commensurate with the officer's level of ongoing responsibility within the Company. Before considering further grants, the Board will evaluate the number of options already granted to that officer, the exercise price of the options, and the term remaining on those options. In granting options, the Board might also reference the number of stock options granted to officers of other publicly traded companies that, similar to the Company, are involved in the same industry or those of other publicly traded Canadian companies of a comparable size to that of the Company in respect of assets. In addition, the Board may consider the effort, time, responsibility, ability, experience, and level of commitment of the executive officer in determining the level of incentive stock option compensation.

Option grants may include vesting provisions thereby encouraging officers to put forth their best efforts to improve the overall performance of the Company, thus increasing share price. In considering the periods for vesting of stock options and for overall stock option grants, the Board must take into account whether these periods could lead to unnecessary or inappropriate risk-taking or short-term decision-making. With these considerations in mind, options are generally granted for their maximum periods of five years thereby encouraging the Board and management to think of building value over the long-term rather than to take short-term risks.

Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant. The Company does not have a policy in place whereby a director or executive officer is allowed to purchase financial instruments that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

The Company has a formalized stock option plan for the granting of incentive stock options to its directors, officers, employees and consultants which was approved by its shareholders at the CBD Global Special Meeting.

Benefits and Perquisites

In general, the Company will provide a specific benefit or perquisite when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites the Company provides its executives and officers currently only cover reimbursement for out-of-pocket costs.

Pension Plan Benefits

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

As of the date of this Prospectus, no director, executive officer or employee of the Company or their respective associates or affiliates is currently, or has been at any time, indebted to the Company.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE OF THE COMPANY

Audit Committee Charter, Composition and Relevant Education and Experience

The Company's Audit Committee is governed by its charter which is annexed as **Appendix "F"** to this Prospectus.

The Audit Committee is comprised of the following directors: Kelly Balaberda, Sandra Dosdall and Ariane Young. Kelly Balaberda and Sandra Dosdall are not considered "**independent**" and all of them are "**financially literate**" within the meaning of Canadian Securities Administrators' National Instrument 52-110 – Audit Committees ("**NI 52-110**").

The education and experience of each Audit Committee member that is relevant to the performance of his and her responsibilities is as follows:

Name	Determination of Financial Literacy
Kelly Balaberda	Mr. Balaberda is Chartered Investment Manager (CIM®) and a Fellow of the CSI (FCSI®) (reserved solely for an elite group of experienced financial services professionals that meet the highest standards for advanced education, ethical conduct, industry experience and peer endorsement). From 2008 until May 2018, he was a Securities Specialist with Investor Group where he provided product knowledge and portfolio advisory to clients through analysis of stocks, bonds and investment strategies.
Ariane Young	Ms. Young is a partner at TingleMerrett LLP, a Calgary-based corporate and securities law firm. She has been practicing law since 1994 in the areas of corporate securities, corporate finance and general corporate commercial transactions. In this capacity, Ms. Young regularly review financial statements and interacts with regulators and auditors with respect to presentation and interpretation.

Sandra Dosdall	Ms. Dosdall is currently the controller and Director of Administration for Green Star Biosciences Inc., a cannabis investment company with annual revenues in excess of \$1,500,000. She was also President and founder of Executive Assistance Calgary Inc. a Calgary-based small business accounting support company from 2013 until 2017.

PLAN OF DISTRIBUTION

This is a non-offering Prospectus. No securities are being offered pursuant to this Prospectus.

The Company is not a reporting issuer in any jurisdiction.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.).

The Company has applied to list its Common Shares on the CSE. Following the CBD Global Special Meeting, the Company proposes to file Articles of Amendment under the ABCA to affect the Consolidation, immediately following which Subco and Global NV will amalgamate in accordance with the terms of the Merger Agreement. Pursuant to the Merger Agreement, the issuance of a Certificate of Merger by the Registrar under the laws of the State of Nevada will give effect to Subco and Global NV merging to form one corporation, to be called Global NV Corp. (“**Mergeco**”), governed by Nevada law, as a result of which:

- (a) Each shareholder of Global NV will receive one (1) CBD Global Unit of the Company for each one (1) Global NV Share;
- (b) Mergeco will own all of the property and assets of each of Subco and Global NV;
- (d) Mergeco will be subject to all of the contracts, debts, liabilities and obligations of each of Subco and Global NV; and
- (e) The number of Common Shares of the Company (following the Consolidation) will increase by approximately 13,451,530 to approximately 15,951,480 and the number of Series A Preferred Shares of the Company will increase from nil to approximately 375,062.

RISK FACTORS REGARDING THE COMPANY

Risks Related to Business and Industry

There is no certainty that the Company will continue as a going concern. If the Company does not, shareholders could lose their investment.

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. However, as at February 28, 2019, we have not earned any revenues and had an accumulated deficit of \$59,369. We anticipate that we will incur increased expenses without realizing sufficient revenues (if any) to offset those expenses and we therefore expect to incur significant losses for the foreseeable future. Our ability to continue as a going concern is dependent on receiving continued support from our shareholders, creditors and service providers, as well as obtaining additional financing, and, most importantly, acquiring and developing a profitable business and generating future revenues. No assurance can be given that we will successfully be able to do so. Importantly, the inclusion in our consolidated financial statements of a going concern note may negatively impact our ability to raise future financing and achieve future revenue. The stated risk relating to our ability to continue as a going concern will be

removed from our consolidated financial statements only when, in the opinion of our auditor, our revenues have reached a level that is able to sustain our business operations. Our consolidated financial statements do not include any adjustments to our recorded assets or liabilities that might be necessary if we become unable to continue as a going concern.

Even if we acquire or develop such a business, if we are unable to obtain additional financing from outside sources and eventually generate enough revenues to become self-sustaining, we may be forced to sell a portion or all of our assets or curtail or discontinue our operations. If any of these happens, you could lose all or part of your investment.

We have not generated any revenue since our inception on August 30, 2018.

Risks Associated with Our Securities

You will experience substantial dilution as a result of the proposed Merger.

The proposed Merger, representing a reverse take-over of the Company by RTO, will, if completed, result in substantial dilution of each current shareholder's proportionate interest in the Company. More specifically, the current shareholders of CBD Global will, on completion of the proposed Merger, own approximately 15.83% of the outstanding Common Shares of the Resulting Issuer on an undiluted basis.

You will experience dilution as a result of our financing activities.

We must raise additional capital from external sources to carry out our business plan over the next few years or longer. To do so, we may issue debt securities, equity securities or a combination of these securities; however, we may not be able to sell these securities, particularly under current market conditions. Even if we are successful in finding buyers for our securities, such buyers could demand high interest rates or require us to agree to onerous operating covenants, which could in turn harm our ability to operate our business by reducing our cash flow and restricting our operating activities. If we choose to sell shares, this will result in dilution to our existing shareholders. In addition, any shares we may issue may have rights, privileges and preferences superior to those of our current Common Shares.

We do not intend to pay dividends and, accordingly, there will be fewer ways in which you are able to make a gain on your investment, if at all.

We have never paid dividends and do not intend to pay any dividends for the foreseeable future. To the extent that we may require additional funding currently not provided for in our financing plan, our funding sources may prohibit the declaration of dividends. Because we do not intend to pay dividends, any gain on your investment will need to result from an appreciation in the price of our Common Shares. There will, therefore, be fewer ways in which you are able to make a gain on your investment, if at all. There is also no guarantee that your investment will appreciate or even maintain its current value.

Risks Associated with Closing of the proposed Merger

There are material risks associated with Global NV's business which, if the proposed Merger is completed, will become risks assumed by the Company and its shareholders.

For a list and description of the risks associated with Global NV's business described assuming that the reverse take-over Merger with Global NV has been completed, see "Part Two – Global NV - Risk Factors for Global NV's Business" below.

Risks of Not Closing of the proposed Merger

There are material risks which may arise if the proposed Merger is not completed.

Closing of the Definitive Agreement is subject to various conditions including approval of the listing of the Resulting Issuer's shares on the CSE and compliance with securities regulations, as well as other customary conditions as set forth in the Merger Agreement. There is no assurance that the Definitive Agreement will be completed on the terms proposed or at all. If the proposed Merger is not completed, the Company will have incurred substantial costs, will not have any business and will have to re-commence the process of seeking a business or suite

of assets to acquire in order to become a viable company. There is no assurance that the Company will be able to secure or complete an alternative transaction in the foreseeable future or at all.

Risks of Global NV receiving a Superior Proposal

There is a risk that Global NV will receive a Superior Proposal and terminate the proposed Merger Agreement.

Closing of the Definitive Agreement is subject to various conditions including that neither Global NV nor the Company has received and accepted a Superior Proposal. In accordance with the fiduciary duties of boards of directors, each of Global NV and the Company has reserved the right to terminate the Definitive Agreement if a Superior Proposal is received and the other of them has not amended the terms of the Definitive Agreement to match or better that other proposal such that the other proposal is no longer a Superior Proposal. There is no assurance that the Definitive Agreement will be completed on the terms proposed or at all. If the proposed Merger is not completed, the Company will have incurred substantial costs, will not have any business and will have to re-commence the process of seeking a business or suite of assets to acquire in order to become a viable company. There is no assurance that the Company will be able to secure or complete an alternative transaction in the foreseeable future or at all.

Reliance on Key Personnel and Advisors

We rely heavily on our officers and directors, as well as our professional advisors.

CBD Global will rely heavily on its officers and directors, as well as its professional advisors. The loss of their services may have a material adverse effect on CBD Global and its future prospects. There can be no assurance that any one or all of the officers and directors of, and contractors engaged by, CBD Global will continue in the employ of, or in a consulting capacity to, CBD Global or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that such officers and directors of, and advisors to, CBD Global who have access to confidential information will not disclose the confidential information.

Uninsured Risks

We currently have no insurance coverage.

CBD Global does not currently carry any insurance – general public liability insurance, directors’ and officers’ insurance, key person insurance, business interruption insurance or any other kind of insurance. In the future, CBD Global may carry insurance to protect against such risks and in such amounts as CBD Global considers appropriate and adequate. There is no assurance that will ever carry any or all these types of insurance, or any other kind of insurance or, if carried, that any insurance carried will cover the type of loss suffered by the Company or will adequately cover that amount of any such loss. In the event of a loss, the lack of insurance or the lack of adequate or appropriate insurance coverage could have a significant adverse effect on the Company and its financial viability and, accordingly, the value of its Common Shares. There is no assurance that CBD Global will be able to obtain, maintain in effect or increase any insurance coverage on acceptable terms or at reasonable costs, or that such insurance will provide CBD Global with adequate protection against potential liability.

Conflicts of Interest

Conflicts of interest may arise when officers or directors of the Company serve as officers or directors of other companies.

Certain officers and directors of CBD Global also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such officers and directors involving CBD Global will be made in accordance with their duties and obligations to deal fairly and in good faith with CBD Global and such other companies. In addition, such officers and directors having a conflict are obligated to declare and fully disclose the fact and substance of the matter giving rise to any such conflict, and any such director must refrain from participating in any Board meetings discussing the matter and from voting on and resolution relating to the matter in which such director may have a conflict of interest.

Indemnification of Directors and Officers

We plan to indemnify our directors and officers against liability to us and our security holders, and such indemnification could increase our operating costs.

Applicable corporate laws allow us to indemnify our directors and officers against claims associated with carrying out the duties of their offices. Applicable corporate laws also allow us to reimburse them for the costs of certain legal defenses. Insofar as indemnification for liabilities arising under relevant securities legislation may be permitted to our directors, officers or control persons, certain securities regulations may deem that such indemnification is against public policy and is therefore unenforceable in that jurisdiction.

Since our officers and directors are aware that they may be indemnified for carrying out the duties of their offices, they may be less motivated to meet the standards required by law to properly carry out such duties, which could increase our operating costs. Further, if our officers and directors file a claim against us for indemnification, the associated expenses could also increase our operating costs.

Risks Associated with Global NV's Business

There are significant risks associated with Global NV's business.

For a description of some of the risks associated with Global NV's business, see "Risks Associated with the Global NV Business" below.

Other Risks and Uncertainties

Although we have tried to identify all significant risks, we may not have identified all risks. There may be other risks.

We have sought to identify what we believe to be the most significant risks to our business, but we cannot predict whether, or to what extent, any of such risks may be realized nor can we guarantee that we have identified all possible risks that might arise. Investors should carefully consider all such risk factors before making an investment decision with respect to our Common Shares.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS AGAINST THE COMPANY

There are no material pending legal proceedings or regulatory actions to which the Company is, or, to the knowledge of management of the Company, is likely to be a party.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS WITH THE COMPANY

Except as described herein, no Insider of the Company or associate or affiliate of an Insider of the Company has or has had any material interest, direct or indirect, in any transaction within the three years before the date of this Prospectus that has materially affected or is reasonably expected to materially affect the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR OF THE COMPANY

Auditors

The Company's auditor is Davidson & Company LLP, Chartered Professional Accountants, 1200 – 609 Granville Street, P.O. Box 10372, Vancouver, BC, Canada V7Y 1G6.

Transfer Agent and Registrar

The transfer agent and registrar for the Company's Common Shares is Capital Transfer Agency at its principal office 390 Bay St., Suite 920, Toronto, Ontario M5H 2Y2.

MATERIAL AGREEMENTS OF THE COMPANY

The Company has not entered into any contracts material to investors in the Common Shares since incorporation, other than:

1. the Merger Agreement (see “*Proposed Merger – Reverse Take-Over of the Company*”);
2. the CBD Global Option Plan (see “*Options to Purchase Securities*”);
3. the Transfer Agency Agreement; and
4. the Escrow Agreement (see “*Escrowed Securities*”).

EXPERTS OF THE COMPANY

No person or company whose profession or business gives authority to a report, valuation, statement or opinion made by such person or company and who is named in this Prospectus as having prepared or certified a part of this Prospectus, or a report, valuation, statement or opinion described in this Prospectus, has received or shall receive a direct or indirect interest in any securities or other property of the Company or any associate or affiliate of the Company.

Davidson & Company LLP, the Company’s auditor, has confirmed that it is independent of CBD Global within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

OTHER MATERIAL FACTS OF THE COMPANY

There are no other material facts about the Company which are not disclosed in this Prospectus.

CONSOLIDATED FINANCIAL STATEMENTS AND MD&A OF THE COMPANY

The CBD Global consolidated financial statements are attached as **Appendix A** to this Prospectus and management’s discussion and analysis for the corresponding period is attached as **Appendix B** to this Prospectus:

- Audited consolidated financial statements as at and for the period ended February 28, 2019; and
- Management’s discussion and analysis for the period ended February 28, 2019.

PART TWO – GLOBAL NV

CORPORATE STRUCTURE OF GLOBAL NV

Incorporation and Offices

Global NV Corp. was incorporated under Chapter 78 of the Nevada Revised Statutes (United States) in the State of Nevada on April 23, 2018. The address of Global NV Corp.’s registered agent for service is CT Corporation, 1085 Pleasure Lane, Henderson, Nevada, 89002, United States. Global NV’s Colorado operating address of 225 Union Blvd., #350, Lakewood, CO 80228 and registered agent for service is 2754 Rockbridge Dr., Highlands Ranch, CO 80129.

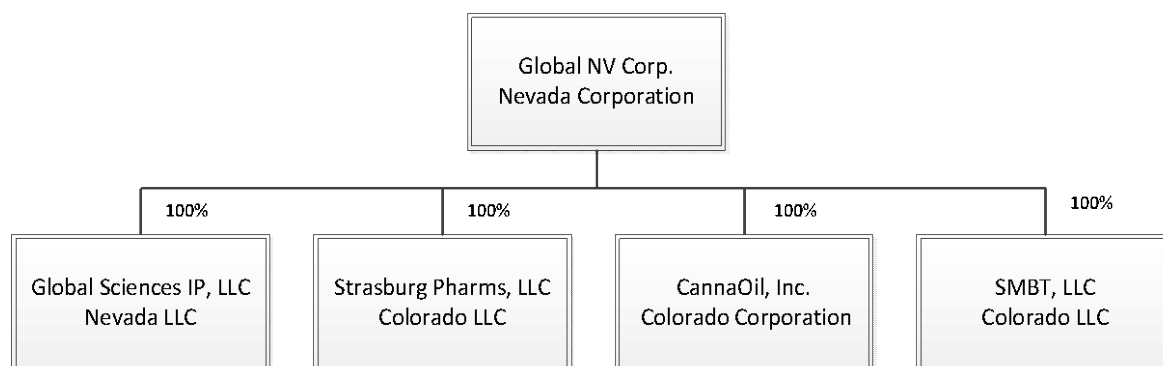
Proposed Merger with Global NV Corp.

Global NV signed the Merger Agreement with the Company on December 10, 2018 for a three-cornered merger transaction which will constitute a reverse take-over of the Company. Pursuant to the terms of the Merger Agreement, following the CBD Global Special Meeting, Global NV will merge with Subco, a wholly owned subsidiary of CBD Global, pursuant to a statutory procedure of the Nevada Revised Statutes and, in connection with

such merger, each holder of Global NV Shares will receive one CBD Global Unit in exchange for each Global NV Share (the “**Proposed Merger**”). Global NV is a private company incorporated in Nevada which provides “Seed-to-Sale” Industrial Hemp cultivation, and the resulting conversion to biomass and manufacturing of CBD infused consumer products. See “Description of the Business” in Part One of this Prospectus.

Global NV is a private company incorporated in Nevada.

Intercorporate Relationships



Global Sciences IP, LLC

Global Sciences IP, LLC, a wholly-owned subsidiary of Global NV, was formed under Chapter 78 of the *Nevada Revised Statutes* (United States) in the State of Nevada on May 8, 2018, for the purpose of holding all intellectual property of the Company (see “Part Two – Global NV - Description of the Business of Global NV – Material Transactions and Developments – Intellectual Property”). The address of Global Sciences IP’s registered agent for service is CT Corporation, 1085 Pleasure Lane, Henderson, Nevada, 89002, United States.

Strasburg Pharms, LLC

SP, a wholly-owned subsidiary of Global NV, was formed as a limited liability company in the state of Colorado on September 23, 2014 under the CCA.

On May 15, 2018 and effective May 31, 2018 as part of an internal reorganization, the members of SP entered into a Stock Exchange Agreement exchanging one hundred percent (100%) of the membership interests in SP for 53,988,337 Global NV Shares (prior to completion of the proposed Merger; see “Part Two – Global NV - Description of the Business of Global NV – Material Transactions and Developments – Farming Operations”). SP’s business office is located at 225 Union Blvd., #350, Lakewood, CO 80228, United States. The address of SP’s registered agent for service is Robert Hopp, 2754 Rockbridge Dr., Highlands Ranch, CO 80129, United States.

From SP’s formation until the date of the Acquisition defined herein; (see “Part Two Global NV - Description of the Business of Global NV – Material Transactions and Developments – Acquisition of SP”) SP conducted Industrial Hemp farming operations.

SMBT, LLC

SMBT, a wholly-owned subsidiary of Global NV, was formed as a limited liability company in the state of Colorado on April 27, 2017 under the CCA.

On May 1, 2018 as part of an internal reorganization, the members of SMBT, namely Brad Wyatt and Glenn Dooley assigned one hundred percent (100%) of the membership interests in SMBT to Global NV (prior to completion of the proposed Merger; see “Part Two – Global NV - Description of the Business of Global NV – Material Transactions and Developments – Farming Operations”). SMBT’s business office is located at 225 Union Blvd., #350, Lakewood, CO 80228, United States. The address of SMBT’s registered agent for service is Robert Hopp, 2754 Rockbridge Dr., Highlands Ranch, CO 80129, United States.

CannaOil, Inc.

CannaOil, a wholly-owned subsidiary of Global NV, was formed as a corporation in the state of Colorado on January 23, 2018 under the CCA.

On May 1, 2018 as part of an internal reorganization, the shareholders of CannaOil, namely Brad Wyatt and Glenn Dooley assigned one hundred percent (100%) of the shares and ownership in CannaOil to Global NV (prior to completion of the proposed Merger; see “*Part Two – Global NV - Description of the Business of Global NV – Material Transactions and Developments – Farming Operations*”). CannaOil’s business office is located at 225 Union Blvd., #350, Lakewood, CO 80228, United States. The address of CannaOil’s registered agent for service is Robert Hopp, 2754 Rockbridge Dr., Highlands Ranch, CO 80129, United States.

DESCRIPTION OF THE BUSINESS OF GLOBAL NV

Global NV

In 2013, fueled with the desire to help his mother who had recently been diagnosed with stage 4 Lymphoma, Brad Wyatt, together with Glenn Dooley, longtime partner in other ventures and co-founder, set out to find a non-narcotic solution to the side effects of aggressive cancer treatments Mr. Wyatt’s mother was undergoing. Armed with a strong passion and entrepreneurial skills Mr. Wyatt rigorously examined the emerging science behind CBD and its benefits while leaving the effects of Delta 9 THC traditionally associated with Cannabis behind. In 2014, SP was formed and has operated its vertically integrated “*Seed-to-Sale*” operations in Strasburg, Colorado since that time being issued the 48th license to commercially cultivate Industrial Hemp. Starting in 2015 with 1,200 square feet of greenhouse space and approximately thirty-five (35) acres of leased land, the farm began to take form with the objective to source high CBD genetics that could be cloned for outdoor growing.

The first outdoor season in the spring of 2016 was the farm’s first opportunity to test both genetics and farming techniques to facilitate future crops. The 2016 crop consisted of three (3) different genetics on approximately five (5) acres.

In 2017 the farm added 4,000 square feet of indoor growing space and sixty (60) acres of outdoor growing space through acquisition of land and greenhouses. In 2018, SP acquired eighty (80) additional acres, sourced better genetics and tripled the greenhouse space. Our farming techniques subscribe to manual hand harvesting while mechanized harvesting is being studied to ensure maximized biomass recovery and CBD molecule preservation. Global NV’s methods and processes allow us to farm more land with fewer people while producing more hemp biomass per acre with greater CBD potency.

Objectives

Grow and Harvest.

- To successfully propagate, grow and harvest CBD rich Biomass enabling Global NV to maximize the CBD molecules yielded per acre.
- To harvest the crop expeditiously and dry the crop in such a manner that it preserves the trichomes and retains the maximum CBD potency.

Ongoing Research and Development

- To successfully test varieties of cannabis plants in different geographies to select the best genetic profile for each geography.
- Global NV is evaluating warmer climates which will support the longer growing cycle and hotter days.
- Global NV is also working diligently to develop stable and sustainable feminized seed and tissue culture programs to support scalability of propagation with reduced labor.
- Testing new genetics along with test plots for plant density, seed planting, different types of irrigation and other various techniques to present additional cost reduction improvements to our farming capabilities.

Product Commercialization and Consumer Sales

- To successfully further the development of our CBD rich products and present them to consumers to purchase through our designated sales channels.

Achieve Public Listing

- To achieve public listing and trading of Global NV's common stock through a direct listing or business combination.

Keys to Success

Global NV will accomplish its short and long-term goals through mission focus, innovative marketing and sales, and effective management, while strategically executing on all four areas of the production chain. Many current operations in the CBD space operate in only one segment and rely on others to complete their sale cycle. Global NV, through its vertical integration, controls all four segments of the CBD industry: (1) farming operations, (2) processing operations, (3) formulation and product manufacturing operations, and (4) finished product sales operations. In this emerging industry it has been recognized that there are only few companies who control significant portions of the CBD production process allowing them to be consistent and dependable operators. The absence of vertical integration and control which Global NV holds, "*Seed-to-Sale*," creates significant risk in those other operations due to the operation's dependence upon others. Another challenge in the industry is quality in terms of content and manufacturing. Those operations that outsource segments of the process are dependent upon these providers in an emerging environment. As part of CBD Global's overall strategy, it has established SOPs and internal testing and quality standards and controls in addition to partnering with independent laboratories to validate our quality standards. As a truly vertical business, Global NV can minimize exposure to these operating challenges and maximize consistency, dependability and profit margins.

Key Dates & Events

Over the last four years, SP has evolved from the proprietary development of a single Industrial Hemp strain, containing high levels of CBD, to a market leader in the production and distribution of innovative hemp-based, CBD wellness products. Through its vertically integrated business model, Global NV strives to improve customers' lives and meet their demands for stringent product quality, efficacy and consistency.

Set out below are the key events and milestones which have influenced the general development of Global NV's business:

- In 2013 the SP leadership team studied the cannabis industry looking for a segment of the industry that presented a business opportunity while filling a humanistic need (*i.e.* alternative to opioid pharmaceuticals, source of healing, etc.).
- On September 23, 2014, with the passing of the Agricultural Act of 2014 (*i.e.* the 2014 Farm Bill), SP was formed and opened its Lakewood, Colorado headquarters.
- In March 2015, SP established its first commercial cultivation operations in eastern Colorado including 1,200 square feet of greenhouses for propagation and land for outdoor growing of its proprietary Industrial Hemp crops.
- In June 2015, SP planted its first outdoor crop in eastern Colorado. Although the first crop consisted of less than 2,000 plants on five (5) acres of ground it was Global NV's first step towards gaining information about large scale outdoor hemp production.
- In July 2015, SP established a purchasing relationship with Melange LLC to later hire the principal of that company in 2017 as the lead grower.
- In October 2015, Strasburg Pharms completed its first harvest of hemp following its legalization under the 2014 Farm Bill.

- On December 18, 2015, the *Consolidated Appropriations Act, 2016*⁵ became law after signature by President Obama. This bill reaffirmed the rights of Industrial Hemp producers with respect to the cultivation and sale of their products. In addition, Congress prohibited the DEA from interfering with the interstate sale or transport of hemp products such as Global NV's.
- In January of 2016 SP built an additional 4,800 square feet in greenhouses to support its expanded planting for the 2017 season.
- In June 2016, SP's second crop was planted outdoors consisting of approximately 30,000 plants on approximately twenty-five (25) acres of Lot A (as defined below) for production and the development of new harvesting technology to provide improved efficiency in processing wet material from the fields.
- In July of 2016, SP introduced an expanded product line under the brand of Amrita to include everyday health and wellness products, in addition to its original high potency product, to serve a more diverse customer base.
- In October 2016, Strasburg Pharms completed its second harvest of hemp for total biomass of 1,170 lbs. The biomass was subsequently converted to oil and sold for \$10/gram of CBD oil.
- In March of 2017, SP introduced the CannaOil product line and launched its first direct to customer website www.cannaoilshop.com.
- In March 2017, Strasburg Pharms' third crop was planted consisting of 84,000 plants.
- In June 2017 SP closed on a 60-acre purchase of irrigated farmland to support farming expansion plans.
- In October 2017, Strasburg Pharms' completed its third harvest of hemp for total biomass harvested of 21,934 lbs. A total of 1,134 lbs. of biomass was converted to oil for use in CBD oil products. The remaining biomass was sold for an average of \$21.1 per lb.
- In April 2018, SP expanded its operations to include an additional 4,800 square feet of greenhouses for a total of 10,916 square feet of greenhouse space.
- In March of 2018, SP closed on the purchase of an additional eighty (80) acres of irrigated farmland to support farming expansion plans.
- In March 2018, Strasburg Pharms' fourth crop was planted consisting of 196,500 plants.
- On April 23, 2018, Global NV was incorporated as the parent company of the companies related to this project.
- On March 23, 2018, the *Consolidated Appropriations Act, 2018*⁶ became law after signature by President Trump. This bill reaffirmed the rights of Industrial Hemp producers with respect to the cultivation and sale of their products.
- On April 12, 2018, U.S. Senate Majority Leader Mitch McConnell (R-KY) introduced the Hemp Farming Act of 2018 ("**HFA**" or "**Senate Bill 2667**"), which would permanently legalize Industrial Hemp, removing it from the purview of the Controlled Substances Act, and classifying it as an agricultural commodity. On April 12, 2018, U.S. Congressmen James Comer (R-KY) and Jared Polis (D-CO) introduced a companion bill, H.R. 5485, in the House of Representatives, sharing the same mission and language as the HFA.
- In September 2018, Global NV. Corp launched the Aethics product line.
- The HFA was included in its entirety in the Senate version of the proposed 2018 Farm Bill ("**2018 Farm Bill**"), which was approved by a 20-1 vote in favor by the Senate Agriculture Committee on June 13, 2018. The Senate version of the 2018 Farm Bill was passed on June 28, 2018 by a margin of 86-11.
- On June 25, 2018, the FDA issued to GW Pharmaceuticals plc its approval for Epidiolex, the first Cannabis-derived prescription medicine to be available in the U.S.

⁵ P.L. 114-113

⁶ P.L. 115-141

- In October 2018 SP completed its fourth harvest of Industrial Hemp and almost tripled the amount of CBD molecule harvested from the field based on genetic selection and farming technique.
- The United States Congress passed a version of the 2018 Farm Bill which permanently legalizes Industrial Hemp, removing it from the purview of the Controlled Substances Act, and classifying it as an agricultural commodity, which was signed by President Trump on December 20, 2018.

General Development of the Business and Three-Year History

From the date of organization of its subsidiaries until completion of the proposed Merger, Global NV Group has actively pursued the “Seed-to-Sale” cultivation, conversion and manufacturing of CBD rich consumer products. Through SP and its vertically integrated “Seed-to-Sale” operations, Global NV plans to continue its pursuit of opportunities for the production, processing, distribution and sale of hemp and CBD infused products in Colorado and throughout the United States.

Global NV has not been the subject of any bankruptcy or any receivership or similar proceedings against it or any voluntary bankruptcy, receivership or similar proceedings by it, within the three (3) most recently completed financial years or the current financial year.

Material Transactions and Developments

CBD Global proposed Merger with Global NV Corp.

On December 10, 2018, CBD Global entered into a share exchange agreement with Global NV (“**Merger Agreement**”), whereby Global Sciences, a wholly owned subsidiary of CBD Global will acquire all of the issued and outstanding common shares of Global NV (“**Global NV Securities**”) and certain related assets and real property (“**Proposed Merger**”) upon the approval and listing upon the CSE CBD Global’s common shares eligible for trading. Global NV’s business and stated business objectives will be the business and stated business objectives of Global NV (indirectly through the operation of Global NV).

Global NV’s primary assets include its wholly owned subsidiary SP and associated operating entities. See “*Part Two – Global NV - Corporate Structure of Global NV - Intercorporate Relationships*”

Acquisition of Strasburg Pharms

On May 15, 2018, effective May 31, 2018, Global NV entered into a share exchange agreement with Strasburg Pharms, LLC (“**Acquisition Agreement**”), whereby Global NV acquired all of the issued and outstanding membership interests of Strasburg Pharms, LLC (“**SP Securities**”) and certain related assets and real property (“**Acquisition**”). As of this date Global NV’s business and stated business objectives then included the business and stated business objectives of SP.

SP’s primary asset include its real property and farming operations. See “*Part Two – Global NV - Corporate Structure of Global NV - Intercorporate Relationships*”

Farming Operations

Strasburg Pharms, LLC, (“**SP**”) a wholly owned subsidiary of Global NV, is a nutraceutical company with a vision of becoming the leader in the production of hemp based, pharmaceutical grade cannabinoids, specifically CBD. On October 3, 2014, the CDA issued SP the 48th license in Colorado to commercially grow Industrial Hemp in the United States. The first challenge for SP was to identify plant genetics that would produce the highest quality CBD. It started its first test plot of Industrial Hemp in Strasburg, Colorado on a 35-acre parcel, Lot A. The team began growing from seed and cuttings with the help of local geneticists and scientists from local universities as well as other relationships both inside and out of the hemp and Marijuana industry. SP began culling through thousands of plants and genetics to land on the perfect phenotypes which would maintain their desired characteristics and thrive during cloning and tissue culture. The team scoured the industry, both locally and through foreign sources, to create the best genetic line up for consistent and dependable large-scale CBD production. The 2018 crop, consisting of CBD rich plants, was planted on approximately one hundred (100) acres (Lots A-C) after being cultivated in the greenhouse Facilities. The 2018 crop is yielding increased CBD content Biomass over previous years which will result in Global NV realizing one of its objectives being increased CBD molecules per acre yield. The 2018 crop yield is the result of over three (3) years of selective growing and lab testing to selectively cultivate the very best phenotypes in order to present a consistent supply of CBD production for years to come.

In addition to genetic selection and cultivation, the Global NV team has also focused on earth friendly farming and the ability to build a scalable farming infrastructure which accommodates rapid growth and maintains competitive advantages such as soil and water conservation and maximized CBD yield per acre. Based on 2017 statistics from the CDA 2017 Year in Review, Colorado remains the largest producer of Industrial Hemp in the United States.⁷ In 2017, with over one hundred (100) acres planted, SP was among the largest producers of Industrial Hemp based on only twenty-five percent (25%) of all Colorado Registered Land Areas (“**RLAs**”) being comprised of farming operations larger than thirty (30) acres.⁸ 2018 is the fourth consecutive season where Strasburg Pharms has been licensed to grow Industrial Hemp by the CDA.

SP now owns 140 acres of irrigated land that is situated in Strasburg, Colorado (Lots B and C), a predominantly dry-land farming area; in addition to the original 35-acre lease that houses the Facilities and farming operation with a 10,916 square foot greenhouse complex (Facility A). Strasburg Pharms is in the process of negotiating the purchase of additional contiguous acreage to support planting of 1,500 to 3,000 acres in 2019, and also provide “**buffer**” land enhancing Global Sciences’ ability to maintain and improve its genetic population without contamination from neighboring farming operations. SP is an integral part of Global NV’s vertical integration and “**Seed-to-Sale**” strategy.

Acquisitions of Land for Construction of Facilities

On October 6, 2014 SP entered into a five (5) year ground lease for approximately thirty-five (35) acres located in Strasburg, Colorado (“**Lot A**”). Lot A has built upon it eleven (11) greenhouses (Facilities A) each approximately 1,000 square feet for a total of 10,916 square feet of greenhouse space.

On May 19, 2017 approximately sixty (60) acres of land contiguous to Lot A was purchased by a related party at a price of Three Hundred Thousand US Dollars (\$300,000) which was ultimately transferred to SP on May 10, 2018. (“**Lot B**”) Lot B is used principally for farming operations and will be the site for Facility D, a 13,000 square foot processing facility (Facility D).

On February 15, 2018 approximately eighty (80) acres of land contiguous to Lots A and B was purchased by a related party at a price of Four Hundred Thousand US Dollars (\$400,000) which was ultimately transferred to SP on May 10, 2018. (“**Lot C**”) Lot C is used principally for farming operations.

Approximately 1,565 acres of land (“**Lot D**”) contiguous to Lots A-C was made available in 2018 for evaluation by SP for potential lease or purchase. On July 31, 2018 a Letter of Intent to lease lot D with the option to purchase was entered into with the owner. It is anticipated that Lot D will be used principally for farming operations, crop rotation, and buffer from neighboring farms. Final transaction terms will be negotiated upon the completion of all due diligence.

Approximately 1,920 acres of land (“**Lot E**”) contiguous to Lots A-D was made available in 2018 for evaluation by SP for potential lease or purchase. On July 31, 2018 a Letter of Intent to lease lot E with the option to purchase was entered into with the owner. It is anticipated that Lot E will be used principally for farming operations, crop rotation, and buffer from neighboring farms. Final transaction terms will be negotiated upon the completion of all due diligence.

Approximately 1,200 acres of land (“**Lot F**”) has been identified in the Lamar, Colorado area as a potential remote growing location providing weather and growing conditions different from Strasburg, Colorado and providing sufficient distance to provide mitigation against pest and other geographic and weather threats such as hail. Starter plants for Lot F would be cultivated in the Strasburg location and transported for planting and harvested crops would most likely be stabilized and transported back to Strasburg for drying and processing.

Intellectual Property

⁷ Colorado Department of Agriculture. (2017). *Colorado Industrial Hemp Year in Review 2017*. Retrieved from <https://www.colorado.gov/pacific/agplants/hemp-program-power-point-presentations>, page 31.

⁸ Colorado Department of Agriculture. (2017). *Colorado Industrial Hemp Year in Review 2017*. Retrieved from <https://www.colorado.gov/pacific/agplants/hemp-program-power-point-presentations>, page 34.

Global NV's intellectual property, including its trademarks, are held in its wholly owned subsidiary Global Sciences IP, LLC ("**Global IP**") and licensed for use among Global NV's operating units. It is Global NV's intent to be forward thinking in terms of its brands and innovations including patents and trademarks, all of which will be owned by Global IP. The following are the current trademarks under application, noting that only CannaOil has been registered at this time. There are no pending patent applications at this time.

Trademark	Serial No.	Registration No.
H2O Balance	87934964	Pending
Aethics	87927327	Pending
Competitive by Nature	87927365	Pending
Aethics Competitive by Nature	88019507	Pending
CannaOil	87594285	5437575
Lucky Dog Hemp	88347111	Pending
iV Revive	88343234	Pending
iV Relax	88343226	Pending

Appointment/Resignation of Directors and Officers

On May 31, 2018 the Directors were elected, and Officers appointed. Brad Wyatt was elected as a Director and appointed President and CEO of Global NV. Mr. Wyatt also was named Chairman of the Board with the requisite powers to decide Board matters in the event of a deadlock. Glenn Dooley was elected as a Director and appointed as Secretary and COO of Global NV.

Strategic Partnerships

Global NV's business plan contemplates several strategic partnerships or relationships, such as processing, distribution, research and development.

TargetPath, LLC

TargetPath is a business accelerator with relationships and resources strategic to Global NV. Through coordinated effort, TargetPath will speed up time to market and revenue by bringing experienced executive resources and an execution team to work side by side with Global NV staff. The partnership with TargetPath also results in reduced cost by applying fractional team members as needed, when needed, who can transition out when full time employees are hired. TargetPath is responsible for Aethics brand and strategy development as well as providing team members to execute strategy immediately in marketing, sales, product and operations roles.

A comprehensive roadmap of products will be offered under the Aethics brand. At launch, we will market lines of beverages, topicals, tinctures and vape pens. Within six (6) months, we intend to refine and expand the offerings within these categories to reflect customer feedback and market demand. We also intend to add a line of food products that leverage proven segments in the sports nutrition category. All products will be infused with CBD sourced from SP.

Co-Packer

Global NV has identified and arranged to support the scaling of its consumer products through a contractual relationship with a Colorado facility which is AIB Certified, cGMP Compliant, Organic Certified, Gluten-Free Certified, and FDA Registered. This strategic partner will provide disaster recovery should Global NV's

manufacturing operations be negatively impacted as well as allowing for nearly immediate ability to scale in rapid growth periods of Global NV's growth.

Market and Industry Analysis

The U.S. Cannabis Market

According to Arcview Market Research, the legal cannabis market in the U.S. was estimated to have grown to \$9.7 billion in 2017. In the last year, approximately 2.3 million people in the U.S. consumed marijuana for medical purposes and an additional 1.8 million consumed marijuana recreationally (in states where recreational use has been legalized). However, Arcview estimates that the potential cannabis market will grow to approximately 44 million people in the U.S. and certain analysts at Ackrell Capital predict that the cannabis market may exceed \$100 billion in revenue annually.⁹

Aethics products incorporate CBD derived from SP hemp biomass. Hemp is a strain of the cannabis sativa plant different from marijuana. Unlike CBD processed from marijuana, hemp-derived CBD contains .3% or less THC, meaning it lacks the psychoactive effects of THC. Products manufactured using hemp-derived CBD are regulated in a less restrictive manner than marijuana, and those regulations vary by state and at the U.S. Federal level.¹⁰ Consequently, considerable misinformation and consumer confusion is present in the market. Despite these hurdles, demand for CBD products continues to grow considerably year over year.¹¹

The industry's leading CBD market research firms, Hemp Business Journal and Brightfield Group, estimate revenue from U.S. CBD product sales of \$500,000,000¹² and \$505,000,¹³ respectively, in 2018. Both research firms forecasting aggressive revenue growth with total U.S. CBD market sales, with Hemp Business Journal predicting the market will exceed \$2.1 Billion in 2020,¹⁴ and Brightfield Group more conservatively estimating it will hit \$1 Billion.¹⁵ The FDA approved the sale of Epidiolex, a pharmaceutical-grade anti-seizure medicine, in June 2018.

The Colorado Cannabis Market

Despite legal, regulatory and political obstacles (see "*Part Two – Global NV - Regulatory Overview – State Regulation of Industrial Hemp*" and "*Part Two – Global NV - Regulatory Overview – State Regulation of Industrial Hemp - Colorado*"), the U.S. cannabis industry continues to experience substantial growth. Based on 2017 statistics, Colorado remains the largest producer of Industrial Hemp in the United States according to the Colorado Department of Agriculture 2017 Year in Review. In 2017 Colorado had approximately 12,024 acres planted with Industrial Hemp, based on 532 registrations by 386 registrants.¹⁶ In 2018 the Colorado Department of Agriculture released that there were 25,000 acres planted.¹⁷ The Colorado market is growing exponentially. The Hemp Business Journal estimates that the U.S. CBD market will grow to a \$2.1 billion in consumer sales by 2020, and Matt Karnes, Founder of Greenwave Advisors, is even more optimistic about the growth of the CBD market saying, "In terms of the CBD market size, I estimate an almost **\$3 billion** market by 2021. Right now, there are 15 states

⁹ New York Times, Paul Sullivan. (2018, January 26). *As States Legalize Marijuana, Investors See an Opportunity*. Retrieved from <https://www.nytimes.com/2018/01/26/your-money/marijuana-investments.html>.

¹⁰ See 2018 Farm Bill removing CBD from the Schedule I Controlled Substance list.

¹¹ Hemp Industry Daily, John Schroyer. (2017, July 11). *Hemp-based CBD Market Continues its Enormous Growth*. Retrieved from <https://hempindustrydaily.com/growth-spurts-continue-for-hemp-based-cbd-market/>, also citing Hemp Business Journal; Grand View Research. (2018, June). *Industrial Hemp Market Size and Segment Forecasts 2018-2025*. Retrieved from <https://www.grandviewresearch.com/industry-analysis/industrial-hemp-market>.

¹² Hemp Business Journal. (2018) *CBD Report: 2018 Industry Outlook*. Page 10.

¹³ BrightfieldGroup. (2017, August 31). *Hemp Derived CBD, Market Overview & Analysis*. Page 7.

¹⁴ Hemp Business Journal. (2018) *CBD Report: 2018 Industry Outlook*. Pages 1 and 5.

¹⁵ BrightfieldGroup. (2017, August 31). *Hemp Derived CBD, Market Overview & Analysis*. Page 7.

¹⁶ Colorado Department of Agriculture. (2017). *Colorado Industrial Hemp Year in Review 2017*. Retrieved from <https://www.colorado.gov/pacific/agplants/hemp-program-power-point-presentations>, pages 29-32.

¹⁷ Colorado Department of Agriculture. (2018). *Colorado Industrial Hemp Year in Review 2018*; Retrieved from <https://www.colorado.gov/pacific/agplants/hemp-program-power-point-presentations>, page 20.

that allow CBD only -- this is in addition to the 28 states plus DC that have legalized medical marijuana.” Dec 12, 2016.¹⁸

Production Facilities

By 2020, Global NV intends to have facilities (“**Facilities**”, and each, a “**Facility**”) totaling 75,000-100,000 square feet on 1,000 to 3,000 acres of land to be used for the cultivation, processing, manufacturing, and distribution of cannabis and cannabis infused products.

Facility A – Current Greenhouses

SP currently has constructed eleven (11) greenhouses totaling 10,916 square feet of growing space located on Lot A which it has used in its farming operations since 2015 to support its nursery and propagation of hemp plants (“**Facility A**”). Facility A has and anticipates continuing the production of approximately 400,000 starter plants each year.

Facility B – New Greenhouse

In the second quarter of 2019, Global NV plans to commence building an 18,000 square foot greenhouse on Lot B to support the expansion of Global NV’s nursery operations and potentially limited year around growing (“**Facility B**”). Commercial operations for Facility B are expected to commence in second quarter of 2019 and Global NV anticipates Facility B will have the capacity to produce approximately 1,800,000 starter plants and the ability to supplement outdoor growing during the latter part of each year yielding additional CBD rich Biomass.

Facility C – Production, Warehouse & Administration

Global NV has executed a five-year lease for approximately 12,000 square feet of warehouse flex space with occupancy starting January 1, 2019 located at 2300 E. 76th Avenue, Denver, CO 80229 (“**Facility C**”). In addition to the 12,000 square feet of space Global NV has use and access to an additional 6,000 square feet of adjoining space for manufacturing. Facility C and will be used for housing Global NV’s headquarters and administrative functions, Facility C will be used for hemp drying and processing and product manufacturing, as well as warehousing and distribution.

Facility D – Drying and Future Processing Facility

In the second quarter of 2019, subject to available funds, Global NV intends to commence construction of its 13,000 square foot facility on Lot B (“**Facility D**”), to accommodate the drying and processing of hemp, commercial extraction, infusion and production of CBD oils, cannabis extracts, CBD infused products (see “*Part Two – Global NV - Description of Business of Global NV – Products and Services*”). Commercial operations for Facility D are expected to commence in the third quarter of 2019 for drying and Global NV anticipates Facility D to have the capacity to process 2020 harvest.

Facility E – Processing, Drying and Manufacturing

Global NV plans to expand its Drying and Processing Building, Facility D, to accommodate an additional 13,000+ square feet of product manufacturing on Lot B (“**Facility E**”). Global NV anticipates completion of Facility E in 2020, subject to available funds. Commercial operations for Facility E are expected to commence in the third quarter of 2020 following the 2020 harvest.

Licensing

The state registration approval process for growing Industrial Hemp is not competitive and there is no limit on the number of registrations an entity may hold (see “*Part Two – Global NV - Regulatory Overview – State Regulation of Industrial Hemp*”). However, the Colorado state regulatory agencies that govern Industrial Hemp cultivation require confirmation from the locality that the operator is operating in compliance with local requirements. (see “*Part Two – Global NV - Regulatory Overview – State Regulation of Industrial Hemp - Colorado*”).

¹⁸ Forbes, Debra Borchardt. (2016, December 12). *The Cannabis Market that Could Grow 700% by 2020*. Retrieved from <https://www.forbes.com/sites/debraborchardt/2016/12/12/the-cannabis-market-that-could-grow-700-by-2020/#7b3bccd44be1>.

SP has been granted a license to grow Industrial Hemp by the CDA for Lots A, B, and C and will be applying for requisite local approval for Facilities B and C, as well as CDA licensure for Lots A-E for the 2019 growing season. Upon completing construction of the Facilities and meeting all requisite licensing requirements, Global NV expects to receive local licensure from the County of Arapahoe for the Facilities as well, followed by state licensure from the respective State authorities (see “*Part Two – Global NV - Regulatory Overview – State Regulation of Industrial Hemp*”). Additionally, SP holds a license issued by the Colorado Department of Public Health & Environment (“*CDPHE*”) to operate a Manufactured Food Establishment.

Products and Services

Management believes that Global NV’s vertically integrated “*Seed-to-Sale*” operations enable it to maximize operational efficiency and deliver a high quality and reliably sourced product. Global NV is a fully integrated hemp company with the ability to legally cultivate, extract and distribute hemp and CBD infused products. Through its four cornerstone operations (nursery, cultivation, extraction and distribution), Global NV offers a variety of CBD products and CBD-related services (“*Global NV Products*”).

Global NV currently produces and sells CBD sports and health wellness products. The Aethics brand, the intersection of “athletics” and “ethics,” is focused on delivering trusted products that have a high level of quality and efficacy for the serious athlete to the everyday consumer, while Global NV’s CannaOil products are targeted at consumers interested in CBD health wellness solutions. Global NV’s integrated seed-to-sale operations enables control of the full production process, ensuring the highest level of quality control, sourcing and delivery.

Aethics and CannaOil products are made using selective genetics of Industrial Hemp extracts derived from hemp plants grown on Global NV’s Strasburg Farms. Product’s derived from SP’s hemp contain a full spectrum of phytocannabinoids, including CBD, terpenes, flavonoids and other hemp components. SP strictly grows Industrial Hemp containing high levels of CBD and very low levels, 0.3% or less of THC. Global NV does not produce or sell products containing high levels of THC, the cannabis compound that causes psychoactive effects.

Regulatory issues have hindered research to date into the effects of CBD, although funding is increasing rapidly. The scientific, industry and survey data currently available, along with significant empirical data, indicates consumers find value in using CBD for pain relief, sleep improvement, stress and anxiety reduction, and for a variety of other applications.

Aethics product categories include tinctures, topicals and beverages marketed to consumers. In the coming six (6) months, Global NV expects to extend these product lines with additional flavors and scent profiles while adding products in the edibles category. Further, Global NV will offer products intended for the practitioner (e.g., chiropractors and massage therapists). Global NV also intends to offer processed CBD oils to be sold as a “white label” solution for partners’ products. In the second half of 2019, Global NV plans to offer a line of CBD pet products.

Dried Biomass

In addition to CPG products Global NV sells premium CBD rich dried flowers and trim, dried hemp biomass. With the Strasburg Farms Certified label, Global NV plans to gain a competitive advantage through innovation, brand awareness, ongoing research and development, quality assurance and analytically driven operations.

CBD Oils, Isolates, and Distillates

Cannabis has over 140 different active compounds that interact with the endocannabinoid system in the human body, which may produce a variety of medicinal effects, in addition to the known psychoactive effects. The ability to effectively and selectively extract these molecules from the raw cannabis flower needs to be further understood and studied. In addition, there are a variety of known carrier oils with properties that enable the suspension of the cannabis oil within the carrier.

As the CBD markets in Colorado and globally progress, Global NV expects a growing trend toward more subtle and healthier methods of consuming cannabis and more specifically CBD products. Global NV also expects the pricing of CBD products to be significantly higher in oils than that for dried flowers.

Using high performance extraction equipment and manufacturing techniques (see “*Part Two – Global NV – Description of the Business of Global NV – Products and Services - Overview – Vertically Integrated “Seed-to-*

Sale” Operations - Extraction”), Global NV intends to further develop high quality CBD oil concentrates that maintain the chemical profiles of their parent strains that Global NV anticipates can be used in a variety of novel formulations and delivery methods and products. Global NV also understands that specific combinations of cannabinoids and terpenes maximize the medicinal properties of cannabis-based pharmaceutical products; therefore, it intends to blend certain of its oils, isolates and distillates in various ratios to achieve optimal efficacy.

CBD Oil-Infused Products

Global NV currently manufactures and intends to expand its CPG offerings under its CannaOil, Aethics and yet to be introduced brands resulting in an array of consumer products using CBD oil extracts, wax, distillate and isolate as infused ingredients. Wax products will be made for direct consumption, while distillate and isolate will be used to manufacture CBD products, including pills, tinctures, lozenges, beverages, creams, salves, and other consumer goods.

Overview – Vertically Integrated “Seed-to-Sale” Operations

Nursery

- *Target markets:* Global NV vertical, licensed cultivators, nurseries, distributors and manufacturers.
- Manufacture award-winning seeds and clones.
- Capacity to produce hundreds of thousands, and ultimately millions of seeds per month high in CBD.
- Develop new strains and acquire exclusive premium seed varieties from other seed banks.
- Resale seeds and clones to supply a dynamic consumer market.
- Compete in various future events with proprietary seeds and clones to build brand awareness.
- Enrich Global NV seed bank through exclusive licensing partnerships.

Cultivation

- *Target markets:* Global NV products, distributors, and manufacturers
- Cultivation of premium quality hemp using state of the art, high capacity vertically integrated Facilities.
- State of the art fertigation, irrigation, and pest management techniques.
- Access to large quantities of pharma grade and verified CBD rich genetics for research and testing purposes.

Extraction

- *Target markets:* Global NV products, vape and edible manufacturers, distributors, dispensaries and third-party cultivators.
- *Volatile manufacturing* – use of any solvent, such as ethanol, butane, pentane and propane extraction products, in the extraction process that produces flammable gas or vapor.
- *Non-volatile manufacturing* – use of any solvent, such as non-petroleum products like CO₂, that is not a volatile solvent.
- Produce CBD infused products, including edibles, topical products, drink products and vaporizers.
- Process Global NV inventory and third-party hemp biomass into oils, waxes, shatter, terpenes, distillates and finished products.

Distribution

- *Target markets:* Distribution of Global NV Products throughout the state of Colorado, US and internationally, third-party cultivators and CBD product manufacturers.
- Provide licensed distribution services to third-party producers that lack distribution licenses.
- Services include transportation, processing, packaging, marketing and sales.

Cultivation

General Model

Global NV intends to use its Facilities and processes to produce top quality CBD products while maximizing input efficiency and minimizing waste and production costs. Global NV has integrated five (5) years of hemp breeding, cultivation and construction experience into its cultivation model. By using state of the art construction material and design plans, advanced nutrient delivery and organic pest management techniques at its Facilities, Global NV will

maximize production and minimize inputs to achieve consistent bottom line success both for short and long-term growth.

Facility Design and Layout

The layouts of Facilities A and C are being streamlined to allow Global NV to maximize canopy growth while minimizing any wasted or unused space within the cultivation areas. Cultivation areas within each facility are designed to maximize growing area to meet the farm demand with enhancements such as multi-level propagation and moveable racking systems to minimize wasted space such as aisles.

Irrigation and Fertigation Techniques

Global NV uses a precision drip irrigation system to maximize water resources using only approved organic nutrients and industry leading water filtration and delivery techniques. Utilizing this drip irrigation method allows Global NV to save up to eighty percent (80%) of its water over traditional ditch or pivot irrigation. Global NV also uses its plant nutritional formulations with micronutrients and macronutrients to enhance plant growth.

Greenhouse System

Global NV currently has 10,916 square feet of Greenhouses, Facility A, and is in the process of adding 18,000 additional square feet with the completion of Facility C. These greenhouses use state of the art greenhouse systems on approximately 140 acres (Lots A-C), including fully climate controlled, mixed light, supplemental light, light deprivation systems. Global NV's greenhouse systems will allow it to produce high quality hemp starter plants December through June, and additional growing yield for harvest the rest of the year, while minimizing production costs by implementing SOPs related to energy usage.

Pest control

Global NV intends to use only organic substances for dealing with potential pests and pathogens with both preventative and remediation SOPs in place.

Organic Inputs

Although Global NV's indoor and greenhouse systems will be organic based systems, Global NV will utilize organic inputs, for both fertigation and pest control, when possible during all phases of the cultivation operations.

Manufacturing

Global NV presently manufactures its Products and fulfils its orders internally through its staff either in its current Facilities or through the use of a leased organic FDA registered facility. As additional more specialized and high-volume products are commercialized, such as the Aethics iV Products, Global NV will be transitioning such manufacturing to specialized co-packers holding the requisite licenses, approvals and designations while continuing to manufacture in its facilities certain other Products. Global NV also has built strategic relationships with other certified manufacturing facilities allowing for rapid response to increased volume demands or as a disaster recovery solution.

Distribution

Global NV products are currently sold through five (5) principal distribution channels: (i) Consumer Direct Sales; (ii) Distributors; (iii) Ecommerce; (iv) Key Commercial Accounts; and (v) the Affiliate Network. These distribution channels are tailored and designed to promote our Aethics, CannaOil, and private label brands currently and are being built in a scalable format to accommodate future products and brands as well. While principally focused today within the U.S., Global NV's distribution channels are also being negotiated and built to service the greater international markets. Global NV is currently working to finalize distribution into Ireland and the UK as well as eight other EU countries in addition to Australia and New Zealand. Asia and the Middle East are strategic objectives for 2019 leveraging existing connections and relationships through Global NV's strategic relationship with TargetPath.

Our sales strategy is focused on developing and expanding our presence in state and regional channels that align with our target consumer, including direct-to-consumer, ecommerce, natural grocer, natural supplement, pharmacy, spa, gym, sporting goods, travel and practitioner. In parallel, we will begin conversations with target mass retailers in the same categories. Now that the Farm Bill has been signed, we expect mass retailers to move quickly to offer

CBD products. The sales team is progressing in discussions with large national spa and travel retail brands that will open new avenues for Global NV sales.

In order to reach a broad set of retailers most effectively, we will employ the assistance of distributors, brokers and sales representatives with established relationships in target sales verticals, both regionally and nationally. This will complement Global NV's internal and key accounts sales teams to enable reach into independent and large national retailers.

Global NV has developed a comprehensive merchandising and training program for retail partners to enable product sell-through. These programs will engage the consumer to properly educate on the benefits of CBD and the brand. Global NV will provide retailers fixtures, signage and displays; good-better-best positioning; and tester products. In-store and online training will ensure store managers and associates are highly knowledgeable on the brand and product with sell guides, collateral and related support materials.

Global NV will continue to develop its Aethics and CannaOil websites as vehicles for sales as well as marketing and education. We will develop superior content on our websites to maximize purchase activity and improve search engine results for our products. Global NV monthly subscription program provides customers a discount for scheduling recurring reorders. This program is expected to further increase already high returning customer rates.

International distribution is essential to Global NV's growth. Global NV will develop partnerships with distributors to expedite growth in these regions, along with relationships with companies that can assist navigating regulatory requirements and enable local manufacturing.

Research and Development

Global NV's growth plan ("**Growth Plan**") will include the allocation of resources to the expansion of its current business, the development of innovative products and technologies and its sales and distribution strategies.

More specifically, Global NV intends to borrow best practices from the pharmaceutical, commercial cultivation, consumer packaged goods and consumer products industries. It also plans to acquire technical expertise and experience from the pharmaceutical, agricultural and educational industries to develop new technologies and intellectual properties (see "*Part Two – Global NV - Description of Business of Global NV - Strategic Partnerships*").

Through its Growth Plan, Global NV plans to develop and maintain the foundational aspects of the business, while also focusing on innovation and expanding its line of products and technologies. As Global NV refines its vertical integration, it will devote further resources to horizontal integration through the strategic acquisition of other hemp and cannabis brands and intellectual property.

The Growth Plan also includes a sales and distribution component, wherein Global NV will allocate resources to develop advanced sales strategies, new products and additional quality control mechanisms. In doing so, Global NV intends to establish a professional sales team with extensive experience in the distribution and sale of nutraceutical products and fast-moving consumer goods in order to (i) maximize current account value, and (ii) open new accounts locally and in new regions.

Competition

Primary competitors in the CBD market include companies such as CWB (Charlotte's Web), CV Sciences (PlusCBD), Isodiol, Elixinol, and Mary's Nutritionals. Almost all companies in the fractured CBD market are focused on health wellness solutions. Aethics will differentiate by focusing the brand on sports wellness. This category – nutrition, healthy eating, fitness – is a multi-billion-dollar industry globally. Serious athletes down to fitness-focused consumers have a need for products that provide CBD's primary benefits – pain and inflammation relief, sleep aid, and anxiety reduction. Global NV further differentiates Aethics by offering a "*Seed-to-Sale*" solution, meaning we will control the quality of the product from grow, to harvest, to processing, to manufacture, to sale. In an industry clouded by consumer confusion, suspect products and questionable marketing, Aethics will focus on developing a highly trusted brand.

There is potential that Global NV will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and production and marketing experience than Global NV.

Because of the early stage of the industry in which Global NV operates, Global NV expects to face additional competition from new entrants. If the number of users of medical and recreational marijuana in California increases, the demand for products will increase and Global NV expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products and pricing strategies.

To remain competitive, Global NV will require a continued high level of investment in its Facilities, products and technologies, distribution, research and development, marketing, sales and client support (see “*Part Two – Global NV - Description of the Business of Global NV – Strategic Partnerships*”; see “*Part Two – Global NV - Description of the Business of Global NV – Production Facilities*”; see “*Part Two – Global NV - Description of the Business of Global NV*”; see “*Part Two – Global NV - Description of the Business of Global NV – Cultivation*”; see “*Part Two – Global NV - Description of the Business of Global NV – Manufacturing*”; see “*Part Two – Global NV - Description of the Business of Global NV – Distribution*”; see “*Part Two – Global NV - Description of the Business of Global NV – Research and Development*”). Global NV may not have sufficient resources to maintain its Facilities, research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the resulting company.

Competitive Edge

The “*Seed-to-Sale*” vertical business model enables Global NV Corp. to maximize cost savings and retain margin at all levels of the cultivation through sales process. Many of our competitors got into the business by purchasing CBD in various formats or even having a manufacturer create a white label brand to sell on the open market. Many of those are realizing that as the consumers are educated about CBD and its benefits to the human body, they are seeing an increase in demand for a product in an industry that is still a green field concept. The supply chains and quality controls are not well established, and it is becoming increasingly difficult to place orders for quality or dependable CBD. Availability is especially dependent on the timing of those orders relative to the next harvest (the price of the commodity goes up as the supply is consumed before the next harvest). Many of those successful companies are trying to enter into the farming side of the business and finding facing significant barriers to entry in dealing with the technical aspects of farming hemp and the unique temperament of growing the cannabis plant in the outdoor conditions. Global NV started with the farming concept and has been working over the past four years creating proprietary processes and methods of farming with an eye toward scaling our operation to support the successful grow and harvest of the CBD molecule while preventing degradation of the potency. Many have experienced that the farming side of the business is not as easy as many might hope. Others that decide to not create the vertical business find themselves at the mercy of their supply chain and subject to changing and sometimes questionable quality, effectiveness and availability of the CBD flower or oil; not to mention the fact that price points are yet to stabilize as the industry is still in its infancy. Through our vertical integration we have secured the supply chain and have the ability to sell into the wholesale market as much or as little as we wish, and to process and manufacture the remaining hemp biomass into oil and/or finished product at the lowest possible cost.

Marketing Strategy

The marketing strategy plays an extremely important role in fulfilling the goals of Global NV. Global NV has invested considerable effort and resources in creating and developing a clear foundation for its brands, with cohesive messaging, packaging, and written and visual content. This foundation covers the full marketing mix – brand, website, PR, social, advertising, collateral, merchandising, and partners – and is being executed now with a focus on our sports wellness differentiation. Aethics, the connection of athletics and ethics, will be the focus of Global NV’s brand development efforts with the objective of creating the premium sports wellness brand in the CBD market. Global NV has hired a well-respected digital marketing firm to facilitate many of our marketing activities. Effective marketing programs will be essential to developing the Aethics brand awareness and driving sales growth. CBD Global is executing a multifaceted marketing strategy built on the follow pillars:

Influencers. We will build a stable of recognized athletes across various sporting categories that are admired by our target customers for their proven success in their chosen sport. These brand champions will be the face and voice of the Aethics brand. They will provide leadership and validation of the brand and assist in educating athletes on the benefits of Aethics CBD products. They will impact an audience of Aethics “hyper fans,” brand enthusiasts who are as much an extension of Global NV as they are customers. Brand enthusiasts are advocates for the brand, having an appreciation for sports wellness, and the Aethics brand and a desire to spread the word about both. They are active

on social media and collectively extend the reach of the brand to a much broader audience in a more personal manner.

Public Relations

Global NV has retained a prominent national PR firm that will leverage sports, wellness, lifestyle and cannabis publications to create placement and exposure for the Aethics brand and products. Our brand story is founded on building awareness for CBD and its advancement of sports wellness, developing community around our Aethics brand champions, and our support of non-profit organizations that assist athletes in need.

ECommerce

Global NV promotes its e-commerce sales of the Aethics and CannaOil brands through directed and targeted channels. CannaOil is being strategically placed within the Amazon ecosystem tailoring these products to meet the demands of both the consumer and delivery channel while Aethics.com is designed to be transactional and educational resource consumers focused on active lifestyle and wellness. We are taking a phased approach that allows us to build our direct sales channel and communicate directly with our customers. The Coach's Room pages of the site will be a destination for our customers to be educated on all things CBD with an emphasis on sports wellness. There will be an opportunity here for Aethics customers to communicate with one another and the Aethics team of CBD experts.

Experiential Events

We will have a presence via pop-up displays and “meet ups” at events where our target customers congregate. Venues will include professional, collegiate and recreational sporting and lifestyle events.

Advertising

Mainstream social media platforms have curtailed advertising on their services due to the association of CBD to marijuana. Thus, Global NV will instead focus its advertising on online and printed publications along with sports radio and podcasts. These vehicles not only provide important brand exposure but serve to initiate CBD dialogue via radio and podcast hosts that amplify the Aethics message.

Social Media

Global NV leverages email campaigns and social media platforms to deliver promotional offers and brand news as well as solicit customer feedback and test emerging products. Through customer outreach and data collection we are able to learn about current trends and gain insight as to our customer's buying habits helping us predict future trends. Personalized communications and content is aimed at maximizing email responsiveness and conversion to increased sales. We will also reach target customers via email blasts initiated by advertising partners as part of broader advertising and sponsorship packages.

Sales Strategy

We have developed a broad sales plan focused on rapidly developing our direct-to-consumer and online engagement with significant marketing support. We are focused on brick-and-mortar sales verticals where CBD products are actively sold today – online, natural grocers, naturopathic providers, independent sports wellness centers, hospitality, spas, medical providers, and dispensaries – while educating retailers not yet selling CBD products – such as sports stores, gyms and convenience stores – to recognize and trust the Aethics brand in advance of them choosing to begin selling CBD products. We have hired and will continue to hire, using Global NV proceeds, key sales personnel experienced with our prioritized target verticals. We are evaluating ways to sell our products on Amazon, which currently has a policy excluding the sale of CBD-branded products on its sites. We expect this policy to be revised now that Federal approval of hemp-derived CBD sales has been received. In addition to these sales strategies we will deploy a Multi-level Marketing (“*MLM*”) strategy that will incorporate former professional players from leagues such as the NFL. Our first attempt to introduce this strategy dealt with one of the thirty-three (33) NFL Players Association Chapters (Denver Chapter) to “test the water”. From that one presentation we have over forty (40) former NFL Players that have expressed interest in selling our Aethics product in an MLM format.

Employees

As of the date of this Prospectus, Global NV engages approximately twenty (20) full-time or full-time equivalent employees and approximately fifty (50) contract or seasonal workers. For more information on Global NV's operations team see above "*Global NV Operations Team*" and for more information on Global NV's executive officers see "*Part Two – Global NV - Directors and Officers*".

REGULATORY OVERVIEW

United States Regulatory Matters

General Overview

Note, the following overview is subject to and qualified by the more detailed descriptions in the following sections entitled "*United States Federal Regulation of Industrial Hemp*," "*State Regulation Industrial Hemp*," "*FDA Regulation*," "*Future Uncertainty of Legal Status*," and "*Global NV's Regulatory Compliance Activities*."

Global NV does not produce or sell medicinal or recreational marijuana or products derived therefrom. It sells Industrial Hemp-based CBD products. While such products come from the same plant genus and species, Industrial Hemp and marijuana are legally distinct and are generally regulated, respectively, by two separate overarching bodies of law: the 2018 Farm Bill and the Controlled Substances Act. Industrial Hemp, by legal definition, contains less than 0.3% THC on a dry weight basis, which is not a sufficient level to create a psychoactive effect like marijuana.

Consequently, Global NV's products are not sold pursuant to the rules and regulations governing the cultivation, transportation and sale of medicinal or recreational marijuana. Global NV cultivates, processes, transports and sells its products pursuant to the 2018 Farm Bill, and prior to December 20, 2018 the 2014 Farm Bill, and in accordance with applicable state and local laws. All Industrial Hemp produced and sold by Global NV constitutes Industrial Hemp under the 2018 Farm Bill, as well as the laws of the states in which it produces and sells such Industrial Hemp. If sold internationally, products are sold in accordance with the laws of the importing and exporting jurisdiction.

The 2014 Farm Bill allowed Industrial Hemp to be cultivated under agricultural pilot programs conducted by state departments of agriculture and institutions of higher education. The Statement of Principles published by the USDA, the DEA and the FDA in 2016 confirms that state departments of agriculture, and persons licensed, registered, or otherwise authorized by them to conduct research under an agricultural pilot program in accordance with the 2014 Farm Bill, or persons employed by or under a production contract or lease with them to conduct such research, may grow or cultivate Industrial Hemp as part of the agricultural pilot program. In addition, in connection with a federal court settlement resulting from *Kentucky Dept. of Agriculture v. Drug Enforcement Administration*, No. 3:14-cv-372 (W.D.Ky. 2014) ("**2014 KDA Decision**") the DEA has conceded that a fair reading permits cultivation by nominees. In that case, the DEA tried to block the importation of hemp seed for Kentucky's pilot program and the Kentucky Department of Agriculture sued, asking for a temporary restraining order. The case was settled, and it was established that the Kentucky Department of Agriculture could contract out with private farmers to grow and cultivate the hemp crops. Global NV is registered with the Colorado Department of Agriculture ("**CDA**") Hemp Registry Program to cultivate and process Industrial Hemp for market research and commercial purposes and takes the position that its activities fall within the definition of an "**agricultural pilot program**" pursuant to the 2014 Farm Bill.

The Omnibus Appropriations Law (as defined below) prohibits the federal government from using congressionally appropriated funds in contravention of the 2014 Farm Bill or to "prohibit the transportation, processing, sale, or use of Industrial Hemp, or seeds of such plant, grown or cultivated in accordance with the [Farm Bill] within or outside the State in which the Industrial Hemp is grown and cultivated." The 2014 Farm Bill further authorizes the cultivation of Industrial Hemp conducted in accordance with the 2014 Farm Bill, notwithstanding the Controlled Substances Act or any other federal law.

Global NV's activities related to the production, marketing and sale of its products previously complied with the 2014 Farm Bill and now are no longer under the purview of the Controlled Substances Act as of the passing of the 2018 Farm Bill. Certain government agencies (such as the DEA and the FDA) and certain federal officials have historically challenged the scope of permissible commercial activity which may be conducted pursuant to state

agricultural pilot programs. Some DEA representatives, for example, have previously stated they believe that producers of CBD-based products produce and sell their products in violation of the Controlled Substances Act and the Federal Food, Drug, and Cosmetic Act (“**FDCA**”). While discussions may continue, the removal of CBD from the Controlled Substances Act Schedule I renders these discussions moot as to Global NV’s business. There is risk however, that changes in policy and laws could result in either or both of these agencies taking law enforcement actions against Global NV in the future.

Prior to the passage of the 2018 Farm Bill, legal barriers applicable to selling hemp and hemp-derived CBD products resulted from a number of factors, including the fact that hemp and marijuana are both derived from the Cannabis plant, the rapidly changing patchwork of state laws governing hemp and hemp derived CBD, the position of some DEA representatives that CBD is a controlled substance, and the lack of FDA approval for CBD as a lawful food ingredient, food additive or dietary supplement. However, pursuant to the 2018 Farm Bill CBD is no longer subject to the Controlled Substances Act and U.S. businesses are legally permitted to manufacture and sell a wide array of hemp-derived CBD products in the U.S. and internationally. Stakeholders take different positions regarding the scope of legal activity in light of the interplay of federal and state law, and recent developments such as the proposed introduction of the HFA (described below), the September 30, 2017 decision of the World Anti-Doping Agency to drop CBD from its list of prohibited substances, the World Health Organization Expert Committee on Drug Dependence preliminary report finding that CBD is safe, well-tolerated and non-addictive,¹⁹ recent DEA directives that could be interpreted to permit the sale of hemp-derived CBD products, and recent statements made by DEA representatives to the effect that enforcement of hemp products is not a priority,²⁰ may impact the legal status of Industrial Hemp going forward.

The foregoing is an abbreviated overview of Global NV’s position on the legality of Global NV’s operations in the United States. Additional background and a more thorough analysis of applicable U.S. and international regulatory regimes are set out in greater detail below. See “*Part Two – Global NV - Risk Factors of Global NV - Risks Related to the Regulatory Environment.*”

United States Federal Regulation of Industrial Hemp

Development of Current Regulatory Framework

In addition to customary regulations applicable to any commercial business, Global NV’s operations are subject to state and federal regulation in respect of the cultivation of Industrial Hemp and the production, distribution and sale of products intended for human ingestion or topical application and, with respect to certain products, by animals.

Industrial Hemp is an agricultural commodity cultivated for use in the production of a wide range of products globally. Among others, hemp is used in the agriculture, textile, recycling, automotive, furniture, food and beverage, paper, construction materials and personal care industries.

Botanically, Industrial Hemp is categorized as *Cannabis sativa L.*, a subspecies of the cannabis genus. Numerous unique, chemical compounds are extractable from hemp, including THC and CBD. These cannabinoids are responsible for a range of potential psychological and physiological effects. Hemp is distinguishable from its cousin marijuana, which also comes from the *Cannabis sativa L.* subspecies, by its absence of more than trace amounts (less than 0.3%) of the psychoactive compound THC. Although international standards vary, other countries, such as Canada, have used the same THC potency standards to define Industrial Hemp.

Historically, the effects of federal tax rendered the domestic farming of hemp impractical. In addition, with the science of distinguishing hemp from marijuana undeveloped, and fearful of hemp as a psychoactive substance, states legally restricted growth and cultivation of the hemp plant. Subsequently, federal legislation scheduled all cannabis grown in the United States as a controlled substance, and as a result, until the passage of the 2014 Farm Bill (discussed below), cultivating hemp for any purpose in the United States without a Schedule I registration with the DEA was illegal. The 2014 Farm Bill opened an approximately four-year window to allow Industrial Hemp to be cultivated within the context of an agricultural pilot program and where permitted by state law.

¹⁹ World Health Organization Expert Committee on Drug Dependence, Cannabidiol (CBD) Pre-Review Report, November 10, 2017.

²⁰ Bob Segall. (2017, November 7). *DEA: Feds won’t arrest CBD oil users, neither should Indiana.* retrieved from <https://www.wthr.com/article/dea-feds-wont-amst-ebd-oil-users-neither-should-indiana>.

Put simply, the Cannabis plant is currently being regulated by the federal government as one (and potentially more) of the following: (i) marijuana as defined under the Controlled Substances Act²¹ and its derivatives as most commonly understood — a Schedule I controlled substance; (ii) parts of the Cannabis plant exempted from the Controlled Substances Act’s definition of “marihuana” such as stalks and sterile seeds — which may be identified for lack of a better term as “non-cannabis” or the Controlled Substances Act exempt components of the Cannabis plant; and (iii) Industrial Hemp cultivated pursuant to, and in accordance with, the 2014 Farm Bill. Rather than distinguishing between “hemp” and “marijuana” based on the Controlled Substances Act’s analysis of the part of the plant from which the product is derived, the 2014 Farm Bill distinguishes Industrial Hemp and marijuana based on the concentration of THC. Any plant found to contain a higher concentration of THC than permitted by the 2014 Farm Bill is considered marijuana and a Schedule I substance not protected by the 2014 Farm Bill. Accordingly, a product derived from the Cannabis plant may only be classified as a Schedule I substance under the Controlled Substances Act to the extent that the product is derived from the parts of the Cannabis plant included in the statutory definition and/or which are not derived lawfully from Industrial Hemp grown under the 2014 Farm Bill. Hemp seeds or “hemp hearts” for example, have long been lawfully imported into the U.S. and legally sold in commerce due to the fact that the sterilized seeds are clearly exempt from the definition of marijuana under the Controlled Substances Act and therefore are not controlled substances.

However, the Controlled Substances Act exempt status of these components pre-dates, and is legally distinct from, any 2014 Farm Bill-related pre-emption. Therefore, whether CBD is a controlled substance largely depends on the part of the plant the CBD is derived from or whether it is grown pursuant to the 2014 Farm Bill. Where CBD is derived from marijuana, it is regulated as a controlled substance under the Controlled Substances Act. Where CBD is derived from Industrial Hemp lawfully cultivated in the U.S. or is derived from exempted parts of the cannabis plant which are lawfully imported, it is likely not a controlled substance. However, as discussed in more detail below, the DEA does not believe that CBD is generally derived from exempted parts of the Cannabis plant, creating risk for businesses selling imported CBD products derived from such exempted parts of the plant. See “*Part Two – Global NV – Risk Factors of Global NV - Risks Related to the Regulatory Environment.*”

HIA v. DEA II (2004 Decision)

In 2003, the DEA issued two final rules: one that expanded the Controlled Substances Act Schedule I listing of synthetic THC to include THC that is “naturally contained in a plant of the genus Cannabis (cannabis plant),” and a second that exempted hemp fiber, seed and oil products containing THC not intended for human consumption from control (“**2003 Rules**”). The collective result of the 2003 Rules was to classify all naturally occurring THC intended for human consumption as a Schedule I controlled substance.

The Hemp Industries Association (“**HIA**”) filed suit seeking to enjoin the DEA from enforcing the 2003 Rules with respect to non-psychoactive hemp or products containing non-psychoactive hemp (“**HIA v. DEA II**”).²² In this case, the Court of Appeals considered whether an imported hemp seed product derived from the sterilized seed of the cannabis plant was a controlled substance.²³ The Court noted that the Controlled Substances Act expressly exempts “the sterilized seed of such plant” and held that if a product is derived from the exempt part of the plant, and does not otherwise contain synthetic THC, it is not a controlled substance, and thus is not subject to the DEA’s control. As a result of the holding, the Court invalidated two regulations that would have banned the manufacture and sale of edible products made from hemp seed and hemp seed oil as substances controlled under the Controlled Substances Act. Never overturned, this holding is binding on the Ninth Circuit and persuasive as applied in other jurisdictions. The holding cites as its reasoning the clear congressional intent to exclude non-psychoactive portions of the cannabis plant (hemp) from regulation as evidenced plain language of the Controlled Substances Act and definition

²¹ Pursuant to the Controlled Substances Act, the term “marihuana” means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin. Such term does not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

²² *Hemp Industries Ass’n v. DEA*, 357 F.3d 1012, 1018 (9th Cir. 2004).

²³ *Hemp Indus. Ass’n v. Drug Enf’t Admin.*, 357 F.3d 1012 (9th Cir. 2004); see also *Hemp Indus. Ass’n v. Drug Enforcement Admin.*, 333 F.3d 1082 (9th Cir. 2003). Establishment of a New Drug Code for Marihuana Extract, 81 FR 90194-01; Drug Enforcement Administration, Diversion Control Division: Clarification of the New Drug Code (7350) for Marijuana Extract; https://www.deadiversion.usdoj.gov/schedules/marijuana/m_extract_7350.html.

of “marihuana” in the Marijuana Tax Act of 1937, which expressly exempts the non-psychoactive portions of the plant from the definition of marijuana. Global NV does not currently import hemp or hemp products. Although Global NV does not currently rely on *HIA v. DEA II* in respect of the importation of hemp or hemp products, it does rely on the decision in regard to the court’s position on congressional intent and the application of that intent to Global NV’s own analysis and position regarding the regulatory regime applicable to Industrial Hemp and Global NV’s activities.

The 2014 Farm Bill

In 2014, Congress enacted the 2014 Farm Bill which provides for the domestic cultivation of Industrial Hemp as part of agricultural pilot programs adopted by individual states and research by institutions of higher education.²⁴ The 2014 Farm Bill provides, notwithstanding other federal laws such as the Controlled Substances Act, for the domestic cultivation of Industrial Hemp. Forty (40) U.S. states have implemented legislation pursuant to the 2014 Farm Bill.²⁵

The various state Industrial Hemp programs have different requirements regarding the registration of cultivators and processors, the involvement of institutions of higher education and permissible commercialization.²⁶ The 2014 Farm Bill gives significant discretion to states to adopt regulations governing hemp activity, but strictly defines hemp to include any part of the Cannabis plant, whether growing or not, with a delta-9 THC concentration of not more than 0.3% on a dry weight basis (*i.e.* Industrial Hemp). Any plant found to contain a higher concentration of THC than permitted by the 2014 Farm Bill is considered a Schedule I substance under the Controlled Substances Act (*i.e.* marijuana) and is not protected by the 2014 Farm Bill. Accordingly, a product derived from the Cannabis plant may only be classified as a Schedule I substance under the Controlled Substances Act to the extent that the product is derived from the parts of the Cannabis plant included in the statutory definition above and/or which are not derived lawfully from Industrial Hemp grown in accordance with the 2014 Farm Bill.

The 2014 Farm Bill’s provisions only permit the cultivation of Industrial Hemp by institutions of higher education or state departments of agriculture (and their designees such as Global NV) (i) for research purposes (which includes market research); (ii) as part of an “agricultural pilot program” or other agricultural or academic research; and (iii) where permitted by state law. Global NV is registered with the CDA Hemp Registry Program to cultivate and process Industrial Hemp for market research and commercial purposes and takes the position that its activities fall within the definition of an “agricultural pilot program” pursuant to the 2014 Farm Bill. In connection with the KDA Decision the DEA has conceded that a fair reading permits cultivation by nominees. In that case, the DEA tried to block the importation of hemp seed for Kentucky’s pilot program and the Kentucky Department of Agriculture sued, asking for a temporary restraining order. The case was settled, and it was established that the Kentucky Department of Agriculture could contract out with private farmers to grow and cultivate the hemp crops.

Permissible research activities under Section 7606(a)(1) of the 2014 Farm Bill include studies of the marketing of Industrial Hemp. For example, because hemp was criminalized for nearly a century, a critical element of state pilot programs is studying markets in which American farmers can profitably sell hemp products. Since state departments of agriculture are not in the business of selling products, they have contracted with and/or licensed private entities to sell products as part of these marketing studies. In these arrangements, these private businesses act on behalf of the state departments of agriculture to comply with the mandate of Section 7606(b)(1)(B)(i) of the 2014 Farm Bill. There is no requirement or practice under the 2014 Farm Bill for the Federal government to issue specific licenses or approvals to states or any underlying pilot project participants, such authority flows directly from the 2014 Farm Bill itself.

In full, section 7606 states:

²⁴ National Conference of State Legislatures. (2019, February 27). *State Medical Marijuana Laws*. Retrieved from <http://www.ncsl.org/research/health/state-medical-marijuana-laws.aspx>.

²⁵ Health and Wellness Versus Non-Health and Wellness Packaged Food and Beverages, Retail Sales 2002-2017; Retrieved from <http://blog.euromonitor.com/2012/11/health-and-wellness-the-trillion-dollar-industry-in-2017-key-researchhighlights.html>, page 13.

²⁶ *Ibid.*

“(a) IN GENERAL — Notwithstanding the Controlled Substances Act (21 U.S.C. 801 et seq.), the Safe and Drug-Free Schools and Communities Act (20 U.S.C. 7101 et seq.), chapter 81 of title 41, United States Code, or any other Federal law, an institution of higher education (as defined in section 101 of the Higher Education Act 8 of 1965 (20 U.S.C. 1001)) or a State department of agriculture may grow or cultivate Industrial Hemp if —

- (1) the Industrial Hemp is grown or cultivated for purposes of research conducted under an agricultural pilot program or other agricultural or academic research; and
- (2) the growing or cultivating of Industrial Hemp is allowed under the laws of the State in which such institution of higher education or State department of agriculture is located and such research occurs.

(b) DEFINITIONS. — In this section:

(1) AGRICULTURAL PILOT PROGRAM. — The term “agricultural pilot program” means a pilot program to study the growth, cultivation, or marketing of Industrial Hemp —

- (A) in States that permit the growth or cultivation of Industrial Hemp under the laws of the State; and
- (B) in a manner that

- (i) ensures that only institutions of higher education and State departments of agriculture are used to grow or cultivate Industrial Hemp;
- (ii) requires that sites used for growing or cultivating Industrial Hemp in a State be certified by, and registered with, the State department of agriculture; and
- (iii) authorizes State departments of agriculture to promulgate regulations to carry out the pilot program in the States in accordance with the purposes of this section.”

Section 7606 does not explicitly state that private businesses, such as Global NV, may conduct commercial sales of Industrial Hemp or products derived therefrom. However, Global NV takes the position that its current and proposed activities nevertheless fall within the ambit of Section 7606(a)(1) on the basis that (i) permissible research activities under Section 7606(a)(1) includes cultivation for the purpose of research conducted under an agricultural pilot program; (ii) Section 7606(b)(1) provides that agricultural pilot programs include pilot programs to study the marketing of Industrial Hemp; (iii) Global NV has received the Licenses from the CDA to cultivate significant quantities of Industrial Hemp; and (iv) in connection with obtaining the Licenses Global NV has had involved discussions with the CDA and the CDA is aware Global NV is cultivating under the CDA license for the purpose of selling Industrial Hemp derived products.

Because hemp was criminalized for nearly a century, a critical element of state pilot programs is studying markets in which American farmers can profitably sell Industrial Hemp products. Global NV’s marketing and sales activities represent a very small portion of the estimated market for the hemp-derived CBD supplements and such market size estimates are ongoing and evolving. Since state departments of agriculture are not in the business of selling products, they have contracted with and/or licensed private entities to sell products as part of these marketing studies. Global NV’s interpretation of the 2014 Farm Bill is that, in such arrangements, private businesses act on behalf of the state departments of agriculture to comply with the mandate of Section 7606(b)(1)(B)(i) of the 2014 Farm Bill.

As stated above, because the language of Section 7606 does not explicitly state that private business, such as Global NV, may conduct commercial sales of Industrial Hemp or products derived therefrom, there is a risk that Global NV’s interpretation of Section 7606 is inaccurate or that it will be successfully challenged by federal or state authorities. While Global NV believes its interpretation is correct and that its activities fall within the ambit of the 2014 Farm Bill, a successful challenge to such position by the DEA, FDA or other state or federal authority could have a material adverse effect on Global NV, including a requirement to cease commercial activities. See “*Part Two – Global NV - Risk Factors of Global NV - Risks related to the Regulatory Environment.*”

Statement of Principles

Federal policy guidance issued by the USDA, the DEA, and the FDA in 2016 (“***Statement of Principles***”) takes the position that (i) state departments of agriculture, and persons licensed, registered, or otherwise authorized by them to conduct research under an agricultural pilot program in accordance with the 2014 Farm Bill, or persons employed by or under a production contract or lease with them to conduct such research, may grow or cultivate Industrial Hemp as part of the agricultural pilot program; (ii) for the purposes of marketing research by institutions of higher education or state departments of agriculture (including distribution of marketing materials), but not for the purpose

of general commercial activity, Industrial Hemp products may be sold in a state with an agricultural pilot program or among states with agricultural pilot programs but may not be sold in states where such sale is prohibited; and (iii) Industrial Hemp plants and seeds may not be transported across state lines. In the Statement of Principles, the USDA, the DEA and the FDA confirm that the 2014 Farm Bill left open many questions regarding the continuing application of Federal drug control statutes to the growth, cultivation, manufacture, and distribution of Industrial Hemp products, as well as the extent to which growth by private parties and sale of Industrial Hemp products are permissible. Also, the Statement of Principles is silent as to what type or level of activities the USDA, the DEA and the FDA consider as constituting “general commercial activity” as referred to above. It is important to note that the Statement of Principles is merely federal agency guidance, not a matter of federal law. Indeed, the Statement of Principles explicitly states that it “does not establish any binding legal requirements.”

Global NV has taken the position that certain of the opinions of applicable federal agencies in the Statement of Principles regarding the scope of permissible marketing research (including commercial activities) and the transport of Industrial Hemp plants and seeds is not consistent with the 2014 Farm Bill or its intent. Global NV has taken the position that the 2014 Farm Bill allows its current and proposed commercial activity in conjunction with marketing research, and permits Industrial Hemp plants, seeds and hemp products to be transferred amongst states see “*Part Two – Global NV - Regulatory Overview - United States Federal Regulation of Industrial Hemp - The 2014 Farm Bill*” above. Global NV does not consider its activities to be “general commercial activity” within the meaning of the Statement of Principles as the applicable states have clearly been delegated the authority to conduct their pilot program activities at their discretion and Global NV and its contract cultivators have been granted the Licenses. The language of the 2014 Farm Bill does not contain any limitation as to the level of commercial activities and therefore leaves such determinations to the applicable state pilot program. Furthermore, Global NV’s current and proposed activities fall within the plain meaning of a pilot program²⁷ as they represent (i) approximately 76 acres in 2017 (100 in 2018) out of an estimated 23,343 acres of hemp grown in 19 states (as at 2017); (ii) 1 out of an estimated 1,424 state hemp licenses issued;²⁸ and (iii) less than five percent (5%) of the estimated hemp-derived CBD market of \$2 billion as at 2020²⁹ (using Global NV’s 2017 sales), which overall market estimates are continuing to be conducted and evolve. Accordingly, Global NV has taken the position that if a CBD product is derived from Industrial Hemp cultivated within the framework established by the 2014 Farm Bill, per the DEA, USDA and FDA, the product could legally be sold commercially among states provided such products comply with the FDCA and other applicable law.

Ann Bartuska, Acting Under Secretary of the USDA, confirmed aspects of this interpretation in an August 25, 2017, letter to Russell Redding, Secretary of Pennsylvania’s Department of Agriculture, writing, “We think it is clear that section 7606 contemplated the sale and transport of Industrial Hemp for purposes of the pilot programs authorized by section 7606 under a limited set of circumstances; namely, those involving the study of Industrial Hemp marketing.” In addition, the KDA Decision contemplates the transport of seed across state lines. Furthermore, a bipartisan group of 29 congressional members submitted the Amicus Brief (as defined below) arguing the DEA’s stance is in contravention of the 2014 Farm Bill and other laws, and that the intent and plain meaning of the 2014 Farm Bill was to open Industrial Hemp to national commercial activity. See “*Part Two – Global NV - Regulatory Overview — United States Federal Regulation of Industrial Hemp — DEA Position.*”

Note, there are differing interpretations with respect to whether states must explicitly permit the sale of Industrial Hemp and hemp products in order to comply with the 2014 Farm Bill or the Statement of Principles. Global NV takes the position that such activities comply whether or not the state has an agricultural pilot project in place. Certain other stakeholders may take a narrower interpretation, namely that in the absence of explicit state approval or recognition and/or of an agricultural pilot program, such activities are prohibited. Similarly, some DEA spokespersons have taken the position that the interstate commercial sale of consumable CBD products is outside the scope of the 2014 Farm Bill.

²⁷ See Industrial Hemp Regulatory Program, Colorado Revised Statutes §35-61-101 *et. seq.*

²⁸ Vote Hemp, Lauren Stansbury. (2017, October 31). Retrieved from http://votehemp.com/PR/2017-10-31_VoteHemp-releases2017-US-hemp-crop-report.html.

²⁹ Forbes, Debra Borchardt. (2016, December 12). *The Cannabis Market that Could Grow 700% by 2020*. Retrieved from <https://www.forbes.com/sites/debraborchardt/2016/12/12/the-cannabis-market-that-could-grow-700-by-2020/#7b3bccd44be1>.

The Omnibus Appropriations Law

A key reason why federal agencies have not taken enforcement actions against the sale of Industrial Hemp-derived products is Congress' clear intent to prohibit agency interference with state agricultural pilot programs. In 2015, Congress enacted the Consolidated and Further Continuing Appropriations Act, 2015,³⁰ which contained provisions to block congressionally appropriated funds from being used to interfere with state implementation of the 2014 Farm Bill, stating that “none of the funds made available” to the U.S. Justice Department and DEA “may be used in contravention” of the 2014 Farm Bill.³¹ This provision was enacted, in part, in response to DEA enforcement actions, including actions to block seeds imported by some states in order to grow Industrial Hemp and in order to avoid similar DEA actions to stall full implementation of the 2014 Farm Bill.

Similar language was included in the Consolidated Appropriations Act, 2016.³² The Omnibus Appropriations Law further clarified that agencies including the DEA, are blocked from prohibiting the “transportation, processing, sale, or use of Industrial Hemp, or seeds of such plant, grown or cultivated in accordance with the [Farm Bill] within or outside the State in which the Industrial Hemp is grown and cultivated.”³³ This language was carried into the Consolidated Appropriations Act, 2017³⁴ and, importantly, provides significant federal protection to compliant hemp activity at the state level.

On March 23, 2018, the Consolidated Appropriations Act, 2018 became law after signature by President Trump. This bill reaffirmed the restrictions imposed by the prior consolidated appropriations acts of 2015, 2016 and 2017 and remains in effect until September 30, 2018, at which point some form of these protections are likely to be reauthorized. The Consolidated Appropriations Act, 2015, Consolidated Appropriations Act, 2016, Consolidated Appropriations Act, 2017, and Consolidated Appropriations Act, 2018, are collectively defined herein as the “***Omnibus Appropriations Law***.”

For purposes of both the 2014 Farm Bill and the Omnibus Appropriations Law, “***industrial-hemp***” includes any part of the plant *Cannabis sativa L.* having no more than 0.3% concentration of THC on a dry weight basis.

The Omnibus Appropriations Law has ensured the progress of state hemp programs, effectively protecting the transfer, the transport and — most critically — the sale of Industrial Hemp pursuant to the 2014 Farm Bill from federal interference. In addition, there is precedent that the Omnibus Appropriations Law provides significant protection against potential federal enforcement. In the *United States v McIntosh*,³⁵ the Ninth Circuit Court of Appeals ruled that the Omnibus Appropriations Law prohibiting the use of federal funds to intervene with the implementation of state medical marijuana laws barred a federal enforcement action against a state compliant business. Although this case is only controlling in the Ninth Circuit, it is evidence of the import of appropriations protections.

The 2018 Farm Bill, signed by President Trump December 20, 2018, reiterates that Industrial Hemp includes any part of the plant *Cannabis Sativa L.* having no more than, 0.3% concentration of THC on a dry weight basis, as previously stated in the 2014 Farm Bill and Omnibus Appropriates Law, and further clarified that Industrial Hemp is not a listed substance under the Controlled Substances Act.

DEA Position

In addition to the federal government's guidance with respect to the scope of permissible activity under the 2014 Farm Bill, DEA regulation specific to CBD and other cannabinoids informs the legality of Global NV's operations. Notwithstanding the Ninth Circuit's holding in *HIA v DEA II*, which, as discussed above, invalidated previous final rules promulgated by the DEA in the early 2000s, the DEA subsequently published a regulation in 2016 (“***2016 Final Rule***”) also referred to as the “***Marihuana Extract Rule***,” which states that all extracts from the cannabis plant are Schedule I controlled substances, regardless of which part of the cannabis plant the extracts are derived from. Although the DEA subsequently issued a clarification to the 2016 Final Rule, explaining that the 2016 Final Rule includes only extracts that fall within the Controlled Substances Act definition of marijuana, and does not

³⁰ P.L. 113-235.

³¹ P.L. 113-235, Division B, §539.

³² P.L. 114-113.

³³ P.L. 114-113, Division A, §763.

³⁴ P.L. 115-31, Division A, §537.

³⁵ 833 F.3d 1163, 1168 (9th Cir. 2016).

include materials excluded from the Controlled Substances Act definition of marijuana, it makes clear that the DEA does not believe CBD can be derived in commercially viable amounts from the parts of the plant exempted from Controlled Substances Act control, noting that the cannabinoids are concentrated in the flower and that CBD present in stalk is generally due to the presence of resin. As defined above, according to the DEA, resin from any part of the plant is clearly included in the Controlled Substances Act definition of “marijuana.”

This position is again emphasized in a 2018 Ninth Circuit Court of Appeals case of *Hemp Industries Association, et al., Petitioners, v. Drug Enforcement Administration, et al., Respondents*, Nos. 03-71336; 03-71603, 2017 WL 10721879 (C.A.9) (“**HIA v. DEA III**”). In this case, HIA and other industry petitioners filed a Petition for Review seeking to block the implementation of the DEA’s 2016 Final Rule on marijuana extracts, in part, claiming that the 2016 Final Rule conflicted with the 2014 Farm Bill. In response to the case, a bipartisan group of 29 congressional members submitted an amicus brief (“**Amicus Brief**”) arguing the DEA’s stance is in contravention of the 2014 Farm Bill and other laws, and that the intent and plain meaning of the 2014 Farm Bill was to open Industrial Hemp to national commercial activity. On April 30, 2018, the Ninth Circuit Court of Appeals denied the HIA’s appeal of the 2016 Final Rule based on procedural grounds, but importantly confirmed that the 2014 Farm Bill adequately acknowledges the conflict and preempts the Controlled Substances Act, confirming that the 2016 Final Rule does not apply to Industrial Hemp grown lawfully under the 2014 Farm Bill. Therefore, to the extent products are derived lawfully pursuant to the 2014 Farm Bill, Global NV believes they are pre-empted from Controlled Substances Act control.

On May 22, 2018, the DEA issued an internal directive to its agents concerning the legality of hemp and hemp-derived products. The key language stating:

“Products and materials that are made from the cannabis plant and which fall outside the CSA [Controlled Substances Act] definition of marijuana (such as sterilized seeds, oil or cake made from the seeds, and mature stalks) are not controlled under the CSA [Controlled Substances Act]. Such products may accordingly be sold and otherwise distributed throughout the United States without restriction under the CSA [Controlled Substances Act] or its implementing regulations. The mere presence of cannabinoids is not itself dispositive as to whether a substance is within the scope of the CSA [Controlled Substances Act]; the dispositive question is whether the substance falls within the CSA [Controlled Substances Act] definition of marijuana.”

Further, they clarified the controversial “marijuana extract” rule:

“This directive does not address or alter DEA’s previous statements regarding the drug code for marijuana extract and regarding resin. See *Establishment of a New Drug Code for Marijuana Extract*, 81 Fed. Reg. 90194 (Dec. 14, 2016); *Clarification of the New Drug Code (7350) for Marijuana Extract*. As DEA has previously explained, the drug code for marijuana extract extends no further than the Controlled Substances Act does, and it thus does not apply to materials outside the Controlled Substances Act definition of marijuana.”

To be clear, the DEA believes that it has no enforcement authority over hemp or hemp products that are excluded from the Controlled Substances Act. This may include any product derived from hemp grown as part of a 2014 Farm Bill-authorized pilot program, which the 2014 Farm Bill explicitly includes “notwithstanding” the Controlled Substances Act. (The Ninth Circuit Court of Appeals stated the 2014 Farm Bill “contemplates potential conflict between the Controlled Substances Act and preempts it.”)

Of course, the DEA did not specifically articulate this exception. As discussed elsewhere, the scope of permitted activity under the 2014 Farm Bill is still the subject of debate and proposed federal legislation may clarify the scope of permissible activity.

Further, despite the DEA’s concession that it maintains no jurisdiction with regard to 2014 Farm Bill activities, there remains concern over the extent to which other federal, state and local agencies defer to the DEA’s earlier, negative rhetoric towards the 2014 Farm Bill in the Statement of Principles, thereby causing adverse impacts against those acting pursuant to the 2014 Farm Bill including limited, misguided enforcement by state and local authorities that are confused by DEA’s conflicting interpretations of, and misrepresentations of the congressional intent behind, the 2014 Farm Bill’s hemp amendment.

The Hemp Farming Act of 2018

On April 12, 2018, U.S. Senate Majority Leader Mitch McConnell (R-KY) introduced the HFA, which would permanently legalize hemp, removing it from the purview of the Controlled Substances Act, and classifying it as an agricultural commodity. He was joined as an initial co-sponsor by U.S. Senator Ron Wyden (D-OR). Since the introduction, more than two dozen Senators have joined as co-sponsors, a bi-partisan array that includes U.S. Senate Minority Leader Chuck Schumer. The HFA was included in its entirety in the Senate version of the 2018 Farm Bill, which was approved by a 20-1 vote in favor by the Senate Agriculture Committee on June 13, 2018. The senate version of the 2018 Farm Bill was passed on June 28, 2018 by a margin of 86-11. An effort by U.S. Senator Charles Grassley (R-IA) to offer an amendment that would have explicitly excepted hemp extracts like CBD from the Controlled Substances Act exemption was debated and was so unpopular that it was not formally considered. On July 18, 2018, Speaker Paul Ryan and Minority Leader Nancy Pelosi named the Members of the U.S. House of Representatives who will participate in the 2018 Farm Bill Conference committee, which committee includes U.S. Congressmen James Comer (R-KY).

On April 12, 2018, U.S. Congressmen James Comer (R-KY) and Jared Polis (D-CO) introduced a companion bill, H.R. 5485, in the House of Representatives, sharing the same mission and language as the HFA. However, this language is not in the version passed by the House of Representatives. In July 2018, House and Senate leaders appointed members to the joint House/Senate conference committee to resolve the differences between the two versions of the 2018 Farm Bill. The House named 47 conferees, including Congressman James Comer (R-KY), who previously introduced the Hemp Farming Act House companion bill. The Senate named nine members, including U.S. Senate Majority Leader Mitch McConnell, to the conference committee.

On December 20, 2018 the 2018 Farm Bill was signed into law with the following provisions:

- removing hemp (all parts of the Cannabis plant with a concentration of not more than 0.3% THC) from the purview of the Controlled Substances Act. The bill is more expansive than the 2014 Farm Bill in that it specifically de-schedules all derivatives, extracts, cannabinoids and seeds of hemp if those portions of the plant remain below the THC threshold. This means that popular hemp food products like hemp-derived CBD would be considered agricultural commodities rather than controlled substances;
- allow U.S. states (and Native American Tribes) to regulate hemp growth and cultivation in their jurisdictions, building off of the 2014 Farm Bill pilot programs. The states would submit a regulatory plan to the USDA, which plan must demonstrate policies to pinpoint locations of hemp production, to test for THC, and to destroy uncompliant plants. Many states have already developed compliant regulatory structures for their pilot programs which Global NV believes can be easily transitioned for these purposes;
- make hemp research eligible for competitive grant funding at USDA. Moreover, crop insurance would be made available for hemp farmers; and
- clarify that nothing in the proposed Hemp Farming Act would authorize interference with the interstate transportation or commerce of hemp or hemp products.

FDA Approval of Epidiolex

On June 25, 2018, the FDA issued to GW Pharmaceuticals plc its approval for Epidiolex, the first Cannabis derived prescription medicine to be available in the U.S. The active ingredient in Epidiolex is CBD. It is possible that this approval (which acknowledges the medical efficacy of CBD), in addition to an FDA solicitation of public comments on Cannabis safety and medical efficacy and other factors discussed herein, may initiate a rescheduling of marijuana or marijuana derivatives pursuant to the Controlled Substances Act.

State Regulation of Industrial Hemp

At present, Global NV primarily sources from its own Colorado crops and supplementary from proprietary operations and contract suppliers located in Colorado, Montana and Oregon that follow state and federal regulations. Global NV is not aware of any variations in production limits around Industrial Hemp production permitted by the laws of states in which it cultivates Industrial Hemp products as compared to permissions under the 2014 and/or 2018 Farm Bills. However, Global NV is aware of variations in certain states' definition of Industrial Hemp as compared with the definition of Industrial Hemp in the 2014 Farm Bill. All Industrial Hemp produced and sold by Global NV constitutes Industrial Hemp under the 2014 Farm Bill, and/or the 2018 Farm Bill, as well as the laws of the states in which it produces and sells such Industrial Hemp.

The DEA has made public statements suggesting that CBD remains a controlled substance, and that the retail sale as such would be prohibited. Global NV strongly disagrees with this conclusion but understands that there remains the risk of federal law enforcement action against it. There is also a risk that state law enforcement officials may read the statutes as a whole differently and that such interpretations may change (both favorably and unfavorably) over time.

The fifty (50) U.S. states have fifty (50) different laws (or lack thereof) when it comes to this subject. Global NV has reviewed the laws of all fifty states and has identified no state statutory language which explicitly prohibits the retail sale of hemp-derived CBD. Kentucky, Tennessee, Indiana, Missouri and Colorado have passed laws that explicitly exempt hemp extracts such as CBD from legal prohibitions normally incurred by controlled substances such as marijuana. It is Global NV's position that where state law is silent on the subject of hemp-derived CBD's legality, federal law provides protection, particularly in those states that have adopted model legislation that explicitly exempt from control those products and substances that are exempted by federal law. Florida, Georgia and Nebraska have passed laws that explicitly permit the sale of CBD for limited medical purposes but are silent about their retail sale (and often do not make the distinction between CBD derived from hemp or marijuana). Approximately eighty-five percent (85%) of Global NV's 2017 revenues were from states where state law is silent on the subject of hemp-derived CBD's legality.

Most states have no laws that mention the word "cannabidiol" and/or do not distinguish between CBD that is derived from hemp or marijuana. Many of these states, however, feature statutory language coming from a model state-controlled substances act that offers a broad exemption from control to products or compounds that are exempted under federal law. Since Global NV's products are exempted from the Controlled Substances Act by the 2018 Farm Bill, it is Global NV's position that such state laws would exempt them as well.

The treatment of the legality of hemp-derived CBD products by state and local law enforcement authorities is broadly disparate. These products have been sold at retail and online in all fifty states for many years, and law enforcement actions have been highly infrequent and, in some cases, discontinued after initial enforcement actions. For example, in Tennessee — which features strong laws permitting the sale of hemp extracts — a local district attorney raided dozens of local CBD-selling stores, padlocked their doors and arrested the owners for marijuana distribution. The charges were ultimately dismissed. In Texas, a health agency issued draft guidance that would have prohibited the retail sale of hemp-derived CBD, and after a comment period which featured nearly unanimous opposition, decided not to issue any guidance. In May 2018, shortly after expansion of its pilot program, the Wisconsin Statewide Intelligence Center issued a report stating that the sale and possession of CBD was illegal as a matter of state and federal law and suggested that store owners and purchasers could be subject to arrest. A week later, Wisconsin Attorney General Brad Schimel issued guidance confirming that conclusion. Days after that, the attorney general for Wisconsin reversed course. After meeting with key stakeholders, Mr. Schimel announced that Wisconsin's pilot program allows Wisconsin farmers to grow and sell Industrial Hemp, if they obtain a permit and abide by state requirements, and that products made from Industrial Hemp, including CBD, are lawful. Mr. Schimel also issued new rules clarifying that hemp-derived CBD was lawful. Since the attorney general's announcements, two local prosecutors issued contradictory opinions. The Racine County district attorney soon reversed its position after communicating with the attorney general, and the Walworth County district attorney is currently receiving numerous stakeholder complaints.

In California, a state public health agency recently declared that hemp-derived CBD could not be sold at retail locations, while permitting the sale of marijuana-derived CBD in dispensaries and staying silent in regard to online/mail-order sales.

Accordingly, the sale of CBD at the retail level in most U.S. states remains a gray area of the law. Global NV has chosen to sell its products in all fifty states, understanding that there is a risk of state or local law enforcement action, see "*Part Two – Global NV - Risk Factors of Global NV - Risks Related to the Regulatory Environment.*"

Global NV has no knowledge about or control over which states its products may transit through once delivered to the applicable carrier Regulations with respect to the treatment of Industrial Hemp vary from state to state and continue to evolve. The regulations of the particular states most impactful to Global NV's business are described below.

Colorado is the only jurisdiction in which Global NV directly cultivates Industrial Hemp. Global NV, through SP, has obtained from the Colorado Department of Agriculture Industrial Hemp Registration pursuant to the Colorado Hemp Act to grow and cultivate Commercial Industrial Hemp: (i) Indoors in or about the 10,916 square feet of

Facility A; and (ii) Outdoors on or about the 175 acres of Lots A-C. The foregoing license or registration is in respect of cultivation only as a license from the state of Colorado is not required for the subsequent sale of its products.

Colorado

The bulk of Global NV's operations are based in Colorado as a result of the state's legalization of Industrial Hemp and mature regulatory program.

Passed in 2012, Amendment 64 to the Colorado Constitution directed the General Assembly to enact legislation governing the cultivation, processing and sale of Industrial Hemp by July 1, 2014.³⁶ In 2013, responsibility for establishing regulations pertaining to the cultivation of Industrial Hemp, including registration and inspection, was delegated to the CDA.³⁷ The CDA adopted rules and regulations that set forth requirements for registration, inspection, and testing.³⁸ Registration requirements include but are not limited to: disclosing the name and address of the entity that will hold the registration, and the name of each officer, director, member, partner or owner of at least ten percent (10%) of the entity and any other person who has managing or controlling authority over the entity; providing the CDA with GPS coordinates and a map of the land area where the Industrial Hemp will be cultivated; listing the intended use of harvested Industrial Hemp materials; and payment of a non-refundable fee.³⁹ All registrants are subject to routine inspection and sampling by the CDA to verify that the THC concentration of the plants being cultivated does not exceed 0.3% on a dry weight basis, and to ensure registrants are complying with applicable reporting requirements.⁴⁰ Reporting requirements include a pre-planting report detailing the varieties to be planted, a planting report specifying the exact land areas where planting occurred, and a harvest report documenting the size of the harvest and the anticipated harvest date.⁴¹

After the passage of the 2014 Farm Bill, the Colorado legislature passed the Colorado Industrial Hemp Regulatory Program Act establishing the Colorado Industrial Hemp Regulatory Program.⁴² The Colorado Industrial Hemp Regulatory Program Act expressly authorizes two distinct categories of Industrial Hemp cultivation registration to be issued and administered by the CDA: (i) R&D; and (ii) commercial. "Research and Development" is defined as the "cultivation of Industrial Hemp by an institution of higher education under the pilot program administered by the CDA for purposes of agricultural or academic research in the development of growing Industrial Hemp."⁴³ In comparison, "Commercial" is defined as "the growth of Industrial Hemp, for any purpose including engaging in commerce, market development and market research, by any person or legal entity other than an institution of higher education or under a pilot program administered by the CDA for purposes of agricultural or academic research in the development of growing Industrial Hemp."⁴⁴

Global NV believes that cultivation registrations for R&D purposes that operate in compliance with CDA rules and regulations comply with the conditions of the 2014 Farm Bill, and cultivation registrations for commercial purposes operating in compliance with CDA rules and regulations comply with the 2014 Farm Bill.

Finally, on May 30, 2018, the governor of Colorado signed House Bill 18-1295 into law. This legislation modifies the Colorado Food and Drug Act to establish that food, cosmetics, drugs, and devices, as those terms are defined in the act, are not adulterated or misbranded by virtue of containing Industrial Hemp. This law codified a policy established in 2017 by the Colorado Department of Health and Environment ("**CDPHE**") that allowed for the production and sale of food products containing Industrial Hemp, so long as certain express conditions were satisfied. Under applicable legislation, food products containing Industrial Hemp must be produced by a wholesale food manufacturing facility that has registered with the CDPHE, and the finished product must contain a delta-9 THC concentration of no more than three-tenths of one percent (0.3%).

³⁶ Colo. Const. art. XVIII, § 16

³⁷ Colorado Senate Bill 13-241.

³⁸ 8 CCR 1203-23.

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² See C.R.S. §§35-61-101, et seq.

⁴³ 8 CCR §1203-23(1.12).

⁴⁴ 8 CCR §1203-23(1.3).

Oregon

Oregon's Industrial Hemp laws are also evolving. Industrial Hemp extracts and CBD are referred to or defined in Oregon's Industrial Hemp statutes and the state's hemp regulations,⁴⁵ pursuant to which an "Industrial Hemp commodities or product" includes CBD and other compounds derived from hemp.⁴⁶ Further, all cannabinoid products from hemp must be tested for their THC and CBD content and microbiological contaminants.⁴⁷ Only a grower registered with Oregon Department of Agriculture ("ODA") may produce Industrial Hemp, and only a handler registered with the ODA may process Industrial Hemp. A separate registration is required to handle Industrial Hemp seed. There are further restrictions on who an Industrial Hemp registrant can sell to⁴⁸ and Global NV's packaged goods must comply with Oregon's THC, CBD and microbiological testing requirements.

While Global NV itself is not registered in Oregon, it does take steps to ensure the Oregon-based suppliers with which Global NV contracts are appropriately registered with the ODA, including requiring suppliers to represent and warrant such compliance in writing and obtaining a copy of the applicable License issued to such supplier.

FDA Regulation

The governing food and drug law in the United States is the Federal Food, Drug, and Cosmetic Act (*i.e.* the FDCA). The purpose of the FDCA is to forbid the movement in interstate commerce of adulterated and misbranded food, drugs, devices and cosmetics.⁴⁹ The FDA is charged with protecting the integrity of the U.S. food supply and its cosmetic products, as well as monitoring the safety and efficacy of drugs, biological products, and almost any compound intended for human or animal consumption, among other areas.⁵⁰ To date, the FDA has not approved marijuana, CBD, and other individual cannabinoids as drugs, nor has the FDA deemed any marijuana, CBD, or other individual cannabinoids permissible for use in dietary supplements, as dietary ingredients or as safe for use in food. This creates additional barriers to lawfully selling cannabinoid and cannabinoid-based products in the U.S.

The Dietary Supplement Health and Education Act ("**DSHEA**"), an amendment to the federal FDCA, established a framework governing the composition, safety, labeling, manufacturing and marketing of dietary supplements in the United States. Generally, under DSHEA, dietary ingredients marketed in the United States prior to October 15, 1994 may be used in dietary supplements without notifying the FDA. "New" dietary ingredients (*i.e.* dietary ingredients "not marketed in the United States before October 15, 1994") must be the subject of a new dietary ingredient notification submitted to the FDA unless the ingredient has been "present in the food supply as an article used for food" without being "chemically altered." Any new dietary ingredient notification must provide the FDA with evidence of a "history of use or other evidence of safety" establishing that use of the dietary ingredient "will reasonably be expected to be safe."

The FDA has taken the position that CBD cannot be marketed in a dietary supplement because it has been the subject of investigation as a new drug (such restrictions referred to as "**IND Preclusion**"). There is evidence that GW Pharmaceuticals plc received authorization for its investigation as a new drug ("**IND**") related to CBD in 2006. Excluded from the DSHEA definition of a dietary supplement is: "an article authorized for investigation as a new drug, antibiotic, or biological for which substantial clinical investigations have been instituted and for which the existence of such investigations has been made public, which was not before such approval, certification, licensing, or authorization marketed as a dietary supplement or as a food unless the Secretary, in the Secretary's discretion, has issued a regulation, after notice and comment, finding that the article would be lawful under this Act." It is the FDA's interpretation of the IND Preclusion that the preclusion date is the date in which it authorized the drug for investigation; however, Global NV believes there are significant arguments against this position in that all conditions of the statute must be met before the IND Preclusion applies, including (1) authorization for investigation as a new drug; (2) substantial clinical investigations must be instituted; (3) such substantial investigations must be made public; and (4) all of the above must occur prior to the marketing of the article as a food or dietary supplement. As discussed below, the FDA takes the position that CBD was not marketed in a food or dietary supplement prior to

⁴⁵ See Oregon Revised Statutes § 571.300 et seq.; Oregon Administrative Rules § 603-048-0010 et seq.

⁴⁶ OAR § 603-048-0010 (11)(a).

⁴⁷ Id. at § 603-048-2320, 603-048-2340.

⁴⁸ OAR § 603-048-0100.

⁴⁹ Ky. Rev. Stat. §§ 260.850-.858

⁵⁰ U.S. Food and Drug Administration, Mission Statement (2018). Retrieved from <http://www.fda.gov/downloads/aboutfda/reportsmanualsforms/reports/budgetreports/ucm298331.pdf>

all of the conditions for the IND Preclusion rendering effective. Global NV disagrees with this position and further believes that its products were old in interstate commerce prior to the publication of substantial clinical investigations. Thus, Global NV takes the position that the IND Preclusion does not apply. As of the date of this Prospectus, Global NV has not, and does not intend to file an investigational drug application with the FDA, concerning any of its products that contain CBD derived from Industrial Hemp.

The FDCA similarly does not recognize CBD as safe for use in food products, stating that a substance added to food is unsafe unless the substance is Generally Recognized as Safe (“**GRAS**”). The FDA has declined to recognize CBD as GRAS for human consumption, although certain hemp seed oils may be considered GRAS.^{51,52} Further research is needed to determine if other cannabinoids would be considered GRAS or what steps would be necessary for them to be recognized as GRAS. In the meantime, stakeholders are collecting data to pursue a GRAS determination for CBD. Enforcement of this prohibition has been sporadic at best, with CBD products being sold across the nation with FDA enforcement generally limited to products making unlawful drug or health claims. But such sales of consumable CBD products, even if compliant with the Controlled Substances Act, would not be legal pursuant to the FDCA. While GW Pharmaceuticals plc is currently seeking FDA approval for a Cannabis based pharmaceutical product, as of the date hereof the FDA has not approved Cannabis, marijuana or CBD as a safe and effective drug for any indication. Global NV’s products containing CBD derived from Industrial Hemp are not marketed or sold using claims that their use is safe and effective treatment for disease conditions pursuant to the FDCA.

Despite any position taken by the FDA, Global NV believes there is substantial uncertainty and different interpretations among state and federal regulatory agencies, legislators, academics and businesses as to whether cannabinoids were present in the food supply and marketed prior to October 15, 1994 or whether such inclusion of cannabinoids is otherwise approved by the FDA as dietary ingredients, notwithstanding that Cannabis and the cannabinoids contained therein have been therapeutically used and consumed as food by human beings for centuries even if not specifically labeled as CBD or other cannabinoids. In addition, Global NV believes there is substantial uncertainty and different interpretations as to whether cannabinoids are by definition an impermissible adulterant due to Cannabis being a controlled substance under the Controlled Substances Act. As a result, Global NV believes the federal legality regarding the distribution and sale of hemp-based products intended for human consumption or cosmetic use must be considered on a case-by-case basis and that the uncertainties cannot be resolved without further federal legislation, regulation or a definitive judicial interpretation of existing legislation and rules. A determination that hemp products containing cannabinoids were not present in the food supply, marketed prior to October 15, 1994, are not otherwise permissible for use as a dietary ingredient or are adulterants, may have a materially adverse effect upon Global NV and its business. Moreover, if the FDA were to enforce the IND Preclusion based on its interpretation of the legislation, this would have a materially adverse effect upon Global NV and its business. See “*Part Two – Global NV - Risk Factors of Global NV - Risks Related to the Regulatory Environment.*”

Hemp derived products may be legally sold and marketed in the United States where they contain hemp lawfully imported from another country or cultivated pursuant to a state agricultural pilot program, provided the product complies with the FDCA and applicable state and federal law. Textiles, fibers, and certain food and cosmetic products containing hemp seed and hemp seed oils can be lawfully sold in compliance with federal law.

Products containing CBD, however, may only be legal to the extent they are lawfully sourced, sold in a state where state law does not prohibit such sale and where they are compliant with the FDCA. Compliance with the FDCA may prove difficult for most CBD products, while other hemp-based products such as hemp seed, hemp seed oils and certain non-consumable products may be able to achieve compliance with FDCA more easily. Regardless of the legality of any CBD product, risk is inherent in any commercial CBD business since the DEA currently takes the position that CBD is regulated as a Schedule I controlled substance, although pending legislation or the pending approval of the first cannabis-based pharmaceutical drug and case law may impact the DEA’s position.

Except as described above and elsewhere in this Prospectus, Global NV is in compliance with applicable law and has not received any citations or notices of violation which may have an impact on Global NV’s Licenses, business activities or operations.

⁵¹ 21 CFR § 170.30(b), (c), 170.3(f).

⁵² 21 CFR § 1308.35 (a)(2). The DEA’s final rule on legal hemp materials and products specifically excludes materials used for human consumption.

Ability to Access Public and Private Capital and Banking Services

Global NV currently holds a bank account with a regional U.S. institution. Global NV through its operating subsidiaries and affiliates also currently has a payment processing agreement in place providing for online/credit card payments in connection with its e-commerce sales. Global NV has historically, and continues to have, access to equity and debt financing from the Prospectus exempt (private placement) markets in Canada and the United States. Global NV's executive team and Board also have relationships with sources of private capital which Global NV could investigate. Global NV has not attempted to obtain bank financing in the U.S. and has not attempted to access the public capital markets prior to this Prospectus. Global NV anticipates that funding sources may be available pursuant to private and public offerings of equity and/or debt and bank lending. In addition, from time to time, Global NV may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may increase Global NV's debt levels above industry standards, or through the issuance of shares which will be dilutive to the current shareholders. However, if equity and/or debt financing was not available in the public capital markets in Canada or the United States, then Global NV expects that it would have access to raise equity and/or debt financing privately. Commercial banks, private equity firms and venture capital firms have approached the Cannabis industry cautiously to date. However, there have been an increasing number of meaningful investments from both the private and the public capital markets in companies and projects similar to Global NV's business. Although there has been an increase in the amount of financing available to companies in the Cannabis industry over the last several years, there is neither a broad nor deep pool of institutional capital that is available to Cannabis industry participants. There can be no assurance that additional financing, if raised privately or publicly, will be available to Global NV when needed or on terms which are acceptable. Global NV's inability to raise financing to fund capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon future profitability. See "*Part Two – Global NV - Risk Factors of Global NV - Risks Related to the Regulatory Environment.*"

Future Uncertainty of Legal Status

There remain several considerations and uncertainties regarding the cultivation, sourcing, production and distribution of Industrial Hemp and products containing hemp derivatives. Applicable laws and regulations remain subject to change as there are different interpretations among federal, state and local regulatory agencies, legislators, academics and businesses with respect to the treatment of the importation of derivatives from exempted portions of the Cannabis plant and the scope of operation of 2014 Farm Bill-compliant hemp programs relative to the Controlled Substances Act and the emerging regulation of cannabinoids. These different federal, state and local agency interpretations, as discussed above, touch on the regulation of cannabinoids by the DEA and/or the FDA and the extent to which imported derivatives, and/or 2014 Farm Bill-compliant cultivators and processors may engage in interstate commerce, whether under federal and/or state law. **The uncertainties likely cannot be resolved without further federal and state legislation, regulation or a definitive judicial interpretation of existing legislation and rules.**

Numerous states are adopting laws governing Industrial Hemp and CBD. For example, at the state level, on March 21, 2018, Indiana's Governor signed into law Senate Bill 52, which allows the distribution and retail sale of "low-THC hemp extract," defined as a product "(1) derived from *Cannabis sativa L.* that meets the definition of Industrial Hemp; (2) that contains not more than 0.3% delta-9-THC (including precursors); and (3) that contains no other controlled substances." More recently, on June 1, 2018, Missouri's Governor signed into law House Bill 2034, a comprehensive hemp-legalization measure which explicitly exempted from law enforcement control "Industrial Hemp commodities and products and topical or ingestible animal and consumer products derived from Industrial Hemp with a delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent on a dry weight basis."

While over forty (40) other states have legalized some form of medical marijuana or CBD for certain approved conditions or with other restrictions on access, the Indiana and Missouri laws, among others, may set precedent for these and additional states to ease restrictions and expand legal access to CBD products, in particular those with low THC content.

Materially all of Global NV's assets, liabilities and operations are exposed to U.S. Cannabis-related activities.

Global NV's Regulatory Compliance Activities

Global NV's senior management team regularly monitors the development of applicable U.S. laws and Global NV engages U.S. legal counsel to ensure it is operating in compliance with all applicable laws and permits. These compliance-related activities include efforts affecting the following objectives, when and as applicable:

- ensuring all raw materials are sourced in compliance with the 2018 Farm Bill and applicable state and local laws;
- evaluating supply chain partners for quality standards;
- setting and maintaining quality standards through raw material specifications;
- employing qualified quality assurance personnel; and
- ensuring processing activities performed in Colorado comply with CDPHE Guidance, the Colorado Food and Drug Act, and the Colorado Industrial Hemp Regulatory Program Act.

Europe and Asia Regulatory Matters

Global NV is currently exploring manufacturing partnerships for local production, manufacturing and/or distribution in selected international markets. Products would be tailored with specific attributes to comply with local regulations as applicable. Legislative approaches to the regulation of CBD related products vary country by country, including local regulations with respect to THC content, and continue to evolve. For example, to comply with more restrictive THC content specifications in Europe, products distributed therein must contain no more than 0.2% THC. In connection with its international expansion efforts, Global NV intends to engage local legal counsel to advise on matters that will be applicable to the proposed expansion activities of Global NV. Global NV anticipates that it will make final decisions as to its proposed international expansion once its regulatory review of potential jurisdictions is complete.

Historically, Global NV has sold its products in Australia, and through third-party distributors who take delivery in bulk and manage individual orders. Each of these countries regulates the import of Cannabis-derived products and requires some form of importation license, permit or other documentation for products. The exact nature of the importation documentation varies from country to country and are affected by various factors including the level of THC content and the intended use of the product. For example, in certain international jurisdictions CBD products may be regulated as a dietary supplement and subject to local packaging and labelling requirements, whereas in certain jurisdictions a prescription from a licensed medical practitioner is required. Management continues to review regulations and requirements in all international jurisdictions, as discussed below. In the event any prior sales or distributions were conducted in contravention of a local law or regulation Global NV may be subject to penalties imposed by the applicable jurisdiction. To the knowledge of Global NV, it has not breached any substantive foreign law. However, were there such a breach, Global NV does not believe such non-compliance would have a material adverse effect on Global NV given the limited amount of sales, the fact that all sales were conducted by recognized local distributors for whom Global NV's products typically represented a small portion of total sales of hemp-products in the jurisdiction and the lack of notice of regulatory non-compliance to date. See *"Part Two – Global NV - Risk Factors of Global NV- International Regulatory Risks."*

Future international sales activities will require compliance with the THC content limits of the applicable international jurisdiction when Global NV sells its U.S.-manufactured products therein, as well as applicable local regulations regarding the sale in such jurisdictions. Global NV periodically reviews changes in applicable U.S. export laws, regulations and departmental practices as well as applicable international laws and adjusts its sales practices, accordingly, including the temporary suspension of sales, if applicable. In addition to its regulatory review regarding potential international production, manufacturing and distribution activities, Global NV is also reviewing the current compliance procedures implemented by its mail-order/online distributors. Such international sales will only be made in an applicable country once the applicable review of current regulatory regimes is complete and applicable compliance procedures have been updated and implemented. Sales of its products in international jurisdictions will be conducted in accordance with local regulatory regimes permitting such sales.

In 2017, aggregate sales from international jurisdictions represented less than one percent (1%) of total sales. In connection with the most recent review being conducted by Global NV and as a result of sporadic seizure of exports by U.S. customs officials of Cannabis products generally (which seizures are immaterial to Global NV), Global NV is not currently selling its products outside of the U.S., although it expects certain of such sales to resume. No international sales will be conducted except in compliance with applicable local laws. See *"Part Two – Global NV - Risk Factors of Global NV- International Regulatory Risks."*

Canada Regulatory Matters

Although Global NV's products are not marijuana, they are listed on Schedule 2 of the CDSA. Therefore, their importation and sale in Canada is governed by Health Canada, which has the authority to grant exemptions from the CDSA and issue importation certificates on a case by case basis. Global NV requires each Canadian purchaser to provide such a certificate from Health Canada for each order delivered to Canada, which certificate allows the legal importation thereof by the purchaser. Global NV does not produce any products in Canada.

Global NV does not conduct its business with the "intent to conceal or convert" such proceeds as contemplated under Section 462.31 of the *Criminal Code* (Canada). The business of Global NV is the lawful production and sale of Industrial Hemp pursuant to applicable regulatory regimes, which business if conducted in Canada, would not be an offence in Canada. Global NV has considered the foregoing provisions and is satisfied that its activities will not violate the *Criminal Code* (Canada).

DIVIDEND POLICY

Global NV has not declared cash dividends on any of their shares in the past and do not intend to pay any in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of dividends and any other factors that the Board deems relevant and will be subject to the limitations imposed under applicable law.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF GLOBAL NV

Management's discussion and analysis of Global NV in respect of its business and activities for the periods ending December 31, 2018, 2017 and 2016 are included in **Appendix E** to this Prospectus and should be read in conjunction with the audited consolidated financial statements of Global NV for the periods ending December 31, 2018, 2017 and 2016 and the related notes thereto, included in this Prospectus in **Appendix D** and to which the management's discussion and analysis relates.

All of the information presented in the management's discussion and analysis of Global NV is based on Global NV's combined and consolidated financial statements referred to above, which were prepared in accordance with IFRS. All amounts included in the financial statements and in the management's discussion and analysis are expressed in United States dollars, unless otherwise indicated.

DESCRIPTION OF SECURITIES OF GLOBAL NV

Common Shares

The authorized capital of Global NV consists of Eleven Million (11,000,000) common shares ("**Global NV Shares**"). Each Global NV Share is equal to every other Global NV Share with respect to all rights and restrictions.

As at the date of this Prospectus Global NV has 10,657,977 Global NV Shares issued and outstanding. Holders of Global NV Shares are entitled to one vote per share upon all matters on which shareholders have the right to vote. The Global NV Shares do not have pre-emptive rights and are not subject to redemption or retraction provisions. Global NV may, if authorized by its Board, purchase or otherwise acquire any of its Global NV Shares at a price and upon the terms determined by its Board. Holders of Global NV Shares are entitled to receive such dividends as may be declared by the Global NV Board of Directors out of funds legally available therefor. In the event of dissolution or winding up of the affairs of Global NV, holders of the Global NV Shares then outstanding are entitled to share ratably in all assets of Global NV remaining after payment of all amounts due to creditors.

Global NV Warrants

In conjunction with a private placement of units and other separate transactions, Global NV has issued those Global NV Warrants⁵³ as shown in **Appendix F**. The Global NV Warrants were issued effective October 3, 2018 and are exercisable into one Global NV common share upon payment of USD\$1.00 per share at any time up to July 31, 2021 (the “**Expiration Date**”). Pursuant to the terms of the Global NV Warrants, the exercise price and number of warrants will be adjusted in accordance with the Merger ratio.

Prior to the Expiration Date, the Company shall have the option to redeem all of the Global NV Warrants then outstanding at the a price equal to USD\$3.00 per warrant (be adjusted in accordance with the Merger ratio) (the “**Redemption Price**”) upon not less than thirty (30) days nor more than sixty (60) days prior written notice to the Warrant Holders at any time provided that, at the time of delivery of such notice (i) there is an effective registration statement covering the resale of the Warrant Shares or the Warrant Shares are otherwise freely tradable; (ii) the average daily trading volume of the Company’s Common Shares has been at least 75,000 per day during the four (4) week period immediately preceding the issuance of the notice of redemption; and (iii) the closing bid price of the Company’s Common Shares for twenty (20) of the thirty (30) consecutive trading days prior to the date of the notice of redemption is at least 150% of the then exercise price of the Global NV Warrants at the time of written notice to the Warrant Holders, as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events.

Global NV Notes

In conjunction with a private placement of units with its final closing and disbursement on October 2, 2018, Global NV has sold unsecured convertible notes (the “**Global NV Notes**”) in an aggregate principal amount of USD\$3,600,000, as shown in **Appendix G**. The Global NV Notes bear interest at eight percent (8%) per annum payable on the earlier of the date of conversion or October 2, 2020 (as amended in March 2019 from October 2, 2019 to October 2, 2020). Interest is payable quarterly beginning on December 31, 2018. The Global NV Notes, and any then accrued but unpaid interest thereon, are convertible into Global NV common shares at a conversion price of USD\$0.70⁵⁴ per share (as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events, such as the proposed Merger).

On February 28, 2019, Global NV issued an offer to modify to the holders of the Global NV Notes and Global NV Warrants for the purposes of modifying the terms of the Global NV Notes and the Global NV Warrants. The proposed modifications are as follows:

- Increase the principal amount of the Global NV Notes by 2.5%
- Extend the maturity date of the Global NV Notes from October 2, 2019 to October 2, 2020;
- Modify the conversion terms of the Global NV Notes so that on conversion, the holder will receive CBD Global common shares rather than Global NV common shares;
- Modify the exercise terms of Warrants to provide that upon exercise, the holder will receive CBD Global common shares rather than Global NV common shares; and
- Modify the conversion terms of the Global NV Notes and exercise terms of the Warrants to prohibit the conversion of the Notes or exercise of the Warrants if the conversion or exercise, as the case may be, would result in CBD Global no longer qualifying as a Foreign Private Issuer within the meaning of Rule 405 under the Securities Act of 1933, as amended.

If accepted, the holders of Global NV Warrants and Global NV Notes will enter into an agreement to modify affecting the above amendments to the Global NV Warrants and Global NV Notes (the “**Modification Agreement**”).

⁵³ The exercise price of the \$2.00 Warrants will be reduced to \$1.00 per share if Global NV is not publicly listed by March 31, 2019 or for the 12-month period ending March 31, 2019 Global NV does not produce at least \$5,000,000 in crop value, whether in sales revenue or inventory value, and \$2,000,000 EBITDA. Global NV was not publicly listed as of March 31, 2019 thus reducing the exercise price to \$1.00 per share.

⁵⁴ The conversion price was originally \$1.00 per share; however, Global NV failed to meet its requirement of being publicly listed by March 31, 2019.

In addition, in connection with the offer to modify, Global NV has engaged GVC Capital LLC as solicitation agent for the purposes of soliciting the holders of Global NV Notes and Global NV Warrants to consider the offer to modify. Pursuant to the engagement, GVC Capital LLC will receive an amount equal to two percent (2%) of the principal amount of the Global NV Notes modified pursuant to the Modification agreement, paid in cash.

In March 2019, Global NV Notes in the principal amount of \$175,000 were converted to Global NV common shares and Global NV Notes in the principal amount of \$3,275,000 were modified pursuant to the above February 28, 2019. Global NV Notes in the principal amount of \$150,000 remain unmodified with a maturity of October 2, 2019.

CONSOLIDATED CAPITALIZATION OF GLOBAL NV

The following table sets forth the share and loan capital of Global NV as at the dates shown below. The table should be read in conjunction with, and is qualified in its entirety by, Global NV's audited combined financial statements for the years ending December 31, 2018, 2017 and 2016.

	Authorized Capital	Outstanding as at the date of this Prospectus
Common Shares	11,000,000	10,777,977 ⁽¹⁾
Global NV Warrants	Unlimited	3,277,877
Convertible Notes	Unlimited	3,425,000 ⁽²⁾
Stock Options	Nil	Nil

Notes:

- (1) Does not include the Common Shares issuable upon exercise or conversion of the Warrants and Convertible Notes in this table.
- (2) Does not include any additional Convertible Notes to be issued pursuant to the Modification Agreement.

OPTIONS TO PURCHASE SECURITIES OF GLOBAL NV

There are no stock options issued by Global NV under any incentive stock option plan or otherwise as of the date of this Prospectus.

PRIOR SALES OF COMMON SHARES

From the date of incorporation to the date hereof, prior to giving effect to the proposed Merger, Global NV has completed a series of private placements of common shares and debt settlements for shares in the United States and elsewhere including Canada, which are set out in the table below.

Date of Issuance	Description	Price Per Global NV Share	Global NV Shares Issued	Proceeds
May 17, 2017	Debt settlement	\$0.50	125,124.59	\$62,068
May 25, 2017	Debt settlement	\$0.45	250,249.31	\$112,068
June 7, 2017	Debt settlement	\$0.50	125,124.59	\$62,068
May 31, 2018	Debt settlement	\$0.08	6,416,310.78	\$509,144
May 31, 2018	Debt settlement	\$0.06	506,577.50	\$28,869
May 31, 2018	Debt settlement	\$0.24	2,532,634	\$600,000
May 31, 2018	Debt settlement	\$1.00	175,529	\$175,000

October 2, 2018	2018 Q3 Financing – Private Placement units ⁵⁵	\$1.00	Nil	\$3,600,000
October 24, 2018	Shares for Services Agreement	\$0.50	60,000	\$30,000
January 30, 2019	Shares for Services Agreement	\$0.50	60,000	\$30,000
February 28, 2019	Debt settlement	\$1.00	100,000	\$100,000
March 21, 2019	Debt settlement	\$2.45	4,000	\$9,800
May 8, 2019	Debt settlement	\$1.00	26,112	\$26,112

Trading Price and Volume

Common Shares are not currently listed and do not trade on any stock exchange.

PRINCIPAL SECURITY HOLDERS OF GLOBAL NV

Prior to giving effect to the proposed Merger, to the knowledge of management of Global NV, no person or company owns of record or beneficially, or exercises control or direction over, directly or indirectly, of more than ten percent (10%) of any class of voting securities of Global NV, save and except as set out below.

Shareholder	No. of Global NV Shares	Percentage Ownership
Scott Darnell	1,306,554	12.12%
Glenn Dooley	2,250,124	20.88%
Brad Wyatt	2,267,248	21.04%

DIRECTORS AND OFFICERS OF GLOBAL NV

Name and Place of Residence	Present and Principal Occupation During the Past Five Years	Global NV Shares Beneficially Owned	Date of Appointment
Brad Wyatt <i>CEO, President and Director Castle Pines, Colorado</i>	Director and CEO of Global NV (or its subsidiaries) since September 2014; prior thereto President of MAC 5 Mortgage, Inc. (a mortgage lending brokerage)	2,267,248	May 31, 2018
Glenn Dooley <i>COO, Secretary and Director Parker, Colorado</i>	Vice President and Managing Broker of MAC 5 Mortgage, Inc.	2,250,124	May 31, 2018

⁵⁵ Private placement of units consisting of Global NV Notes and Global NV Warrants, each Global NV Note was accompanied by fifty percent (50%) Global NV Warrant coverage (e.g. with the purchase of \$10,000 in Global NV Notes the investor would also receive 5,000 Global NV Warrants).

Albert Taylor <i>CFO</i> <i>Highlands Ranch,</i> <i>Colorado</i>	Finance Mgr., Ardent Mills 2017-2018; Controller/ISO Auditor, Global Technologies Resources 2013-2016; Accounting Mgr., Commodity Specialists Company 2006-2012.	Nil	December 10, 2018

Biographies

Brad Wyatt, CEO, President, and Chairman, Age 49

Mr. Wyatt is an employee of Global NV and devotes 100% of his professional time to Global NV as President and CEO.

For the last four years, Mr. Wyatt has worked in the Hemp Industry within Colorado. He is also the co-founder/creator of Strasburg Pharms, LLC, SMBT, LLC and CannaOil, Inc., all wholly owned subsidiaries of Global NV. He has served in managerial and executive positions as well as being a member of the board of directors since 2014, while dedicating most all of his professional time to developing and growing Global NV since 2014. He is also a co-founder/co-owner of MAC5 Mortgage, Inc. which he founded with Glenn Dooley in 2006 and stepped away from the day to day operations to focus on Global NV in 2014. Coming from Corporate America serving in key operational roles for the US Army, Federal Mogul, Sears Roebuck and Target Corporation, Mr. Wyatt has a keen sense and extensive training, not to mention on the job execution of process management and process improvement that has allowed him to expand his impact in the entrepreneurial environment when he decided to leave Target to start his own company (MAC5 Mortgage, Inc.). Starting a mortgage company in 2006, prior to the collapse of the mortgage industry, highlights his determination and ability to successfully execute a start up in an industry that was extremely unforgiving. MAC5 Mortgage today operates in (6) six states and employs over 100 people. Mr. Wyatt's experience and background in process management/improvement and specifically Industrial Hemp production facilities coupled with his knowledge and experience in management and finance afford him the skills to effectively manage the farming and overall operations of Global NV.

Mr. Wyatt has entered into an employment contract with Global NV which includes non-competition and non-disclosure provisions.

Glenn Dooley, COO, Secretary, and Director, Age 49

Mr. Dooley currently serves as a Director and advisor to Global NV and is expected to join the Resulting Issuer as an employee in 2019 devoting 100% of his professional time to the Resulting Issuer as Secretary and COO.

Mr. Dooley is a co-founder of Global NV and has been identified to become our director and Secretary and Chief Operations Officer when the business demand facilitates the transfer of his efforts from his current role at MAC5 Mortgage. Prior to the formation of Global NV, Mr. Dooley was a co-founder of Strasburg Pharms, LLC, SMBT, LLC and CannaOil, Inc., all wholly owned subsidiaries of Global NV. He has served in managerial and executive positions as well as being a member of the board of directors since 2014. He is also a co-founder/co-owner Broker and Operations Manager of MAC5 Mortgage, Inc. which he founded with Brad Wyatt in 2006. Mr. Dooley has an undergraduate degree in biology and brings to the team a breadth of knowledge and experience in management and finance, coupled with effectively operating in a growing entrepreneurial environment.

Mr. Dooley has entered into an employment contract with Global NV which includes non-competition and non-disclosure provisions.

Albert Taylor, CFO, Age 40

Mr. Taylor is an employee of Global NV and devotes 100% of his professional time to Global NV as its CFO.

Albert Taylor has over fifteen (15) years of experience in accounting, auditing, and financial management including the agricultural industry. Mr. Taylor's experience within the agriculture industry proves beneficial to achieving Global NV's objectives and growth. Mr. Taylor has entered into a non-competition or non-disclosure agreement with Global NV.

Aggregate Ownership of Securities

Prior to giving effect to the proposed Merger, the directors and officers of Global NV, as a group, directly or indirectly, beneficially own 4,517,372 Common Shares, representing approximately forty-two percent (42%) of the issued and outstanding common shares of Global NV on an undiluted basis.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the directors, officers or other members of management of Global NV has, within the past ten (10) years, been a director, officer or promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order that denied the issuer access to any statutory exemptions for a period of more than thirty (30) consecutive days;
- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No director or executive officer of Global NV has, within the past (10) ten years, been subject to any penalties or sanctions imposed by a court or by a securities regulator authority relating to securities legislation or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No current or proposed director of Global NV has, within the past ten (10) years, been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of Global NV holding positions as directors or officers of other companies. Some of the directors and officers have been, and will continue to be, engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and behalf of other companies, and situations may arise where directors and officers will be in direct conflict or competition with Global NV. Conflicts, if any, will be subject to the procedures and remedies of the ABCA.

EXECUTIVE COMPENSATION

Summary of Executive Compensation

The following discussion describes the significant elements of Global NV's executive compensation program, with emphasis on the process for determining compensation payable to Global NV's CEO and CFO and, other than the CEO and the CFO, Global NV's three most highly-compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, as further described in National Instrument 51-102 – *Continuous Disclosure Obligations* (collectively, "**Named Executive Officers**" or "**NEOs**").

The NEOs are:

- Brad Wyatt, CEO and Chairman;
- Albert Taylor, CFO; and
- Glenn Dooley, COO and Director.

Overview

The Board of Directors on its own or through the Compensation Committee makes decisions regarding all forms of compensation, including salaries, bonuses and equity incentive compensation for the CEO and the CFO, as well as approves corporate goals and objectives relevant to their compensation. The Compensation Committee makes decisions in conjunction with feedback from the CEO and the CFO regarding the performance of Global NV's other executive officers. Finally, the Compensation Committee, in tandem with the CEO and the CFO, also administers employee incentive compensation, including the Stock Option Plan.

Compensation Discussion and Analysis

Compensation Objectives

Global NV's compensation practices are designed to retain, motivate and reward our executive officers for their performance and contribution to Global NV's long-term success. The Board of Directors seeks to compensate executive officers by combining short-term and long-term cash and equity incentives. It also seeks to reward the achievement of corporate and individual performance objectives and to align executive officers' incentives with Global NV's performance. Global NV seeks to tie individual goals to the area of the senior executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals. Global NV performance goals are based on Global NV's financial performance during the applicable financial year.

In order to achieve our growth objectives, attracting and retaining the right team members is critical. A key part of this is a well-thought out compensation plan that attracts high performers and compensates them for continued achievements. Communicating clear and concrete criteria and process for merit-based increases and bonuses will also motivate the entire team to achieve individual and corporate goals.

NEO's and directors may not purchase financial instruments designed to hedge or offset a decrease in market value of securities granted as compensation or held by the director or NEO.

Elements of Compensation Program

Global NV's executive compensation consists primarily of base salary.

Management or Employment Contracts

All current and future NEOs of Global NV have or will enter into an employment agreement with Global NV.

Global NV's standard form employment agreement includes provisions regarding base salary, eligibility for annual bonuses, and enrolment of benefits, among other things. Global NV's employment agreement also includes non-disclosure and non-competition provisions. Other than this agreement, none of the directors or officers of Global NV is expected to enter into an employment agreement, non-competition or nondisclosure agreement with Global NV at this time (see "Part Two – Global NV - Directors and Officers").

Bonus Plans

There are currently no Bonus Plans in place.

Compensation of Named Executive Officers

The following table sets out information concerning the compensation for the year ending December 31, 2018 to be paid to the NEOs, effective as of date hereof.

Name and Position	Financial Year	Salary, consulting fee or commission (\$)	Bonus (\$)	Committee of meeting fees (\$)	Share-based awards (\$)	Value of other Compensation (\$)	Total Compensation (\$)
Brad Wyatt ⁵⁶ President, CEO and Director	2018	\$112,500	Nil	Nil	Nil	Nil	\$112,500
Glenn Dooley ⁴³ Vice President, COO and Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
Albert Taylor ⁵⁷ CFO	2018	\$5,000	Nil	Nil	Nil	Nil	\$5,000

Stock options and other compensation securities

As of the date of this Prospectus Global NV has not granted any stock options.

Stock option plans and other incentive plans

The Board of Global NV has not approved a stock option plan. As of the date of this Prospectus, no stock options have been awarded by Global NV.

Employment, consulting and management agreements

The directors manage or supervise the management of the business and affairs of Global NV. The executive officers perform the day-to-day management functions of Global NV. Global NV has written agreements with its officers or directors in respect of these functions. Global NV has written management agreements, consultant agreements and arrangements with any other persons to perform or provide any of these functions. See “Part Two – Global NV - Material Agreements”.

Director Fees

Directors of Global NV do not receive any compensation from Global NV for their services as directors. The directors have agreed to forego these fees until Global NV is in a position to make these payments. There currently are no additional fees for membership or chairpersonship on any committees.

Oversight and description of director and named executive officer compensation

Given Global NV’s current size and stage of development, its Board has not appointed a compensation committee and, accordingly, its Board as a whole is responsible for determining the compensation (including long-term incentives in the form of stock options, stock appreciation rights, phantom stock option plan or other securities compensation plan, if, as and when any such compensation plan is adopted) to be granted to Global NV’s executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing any independent members of the Global NV Board with considerable input as to executive compensation.

The Global NV Board is expected to review, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluate each executive officer’s performance in light of those goals and objectives and set the executive officer’s compensation level based, in part, on this evaluation. The Global NV Board is expected to take into consideration Global NV’s overall performance, shareholder returns, and the awards given to executive officers in past years. The Global NV Board is also expected to consider the value of similar incentive awards to executive officers at comparable companies; however, as of the date of this Prospectus, no specific companies or selection criteria for the establishment of a benchmark group have been identified by the Global NV Board.

⁵⁶ Brad Wyatt and Glenn Dooley first Elected as Directors and appointed as officers on May 31, 2018.

⁵⁷ Albert Taylor first appointed as CFO on December 10, 2018.

Executive Compensation Program

The compensation philosophy of Global NV's Board is aimed at attracting and retaining quality and experienced people which is critical to Global NV's success and may include a "**pay-for-performance**" element which supports Global NV's commitment to delivering strong performance for its shareholders. Global NV believes that adequate and appropriate compensation for its executive officers is key to ensuring the continuity of high-quality management who will provide strong leadership and stewardship.

The Global NV Board and, when constituted, its committees must also address the risks associated with the overall executive compensation program. The Global NV Board is currently responsible, and its compensation committee or its audit committee, when constituted, will be responsible, for assessing the risks which may arise from Global NV's compensation policies and practices and, as of the date of this Prospectus, they have completed an initial risk assessment with respect to base fees and incentive option grants and the risks they have identified are addressed under their respective headings. The committees intend to conduct a review and report to the Global NV Board more fully on these risks and on ways to mitigate these risks as required.

Executive compensation is comprised of three (3) elements: (i) base fees (which may be described as consulting fees) or salary, (ii) short-term incentive compensation (discretionary cash bonuses) and (iii) long-term incentive compensation (stock options).

At the present time, the compensation program is designed to reward the following objectives:

1. The ongoing day-to-day commitment of Global NV's executive team in managing Global NV's affairs, fulfilling their job responsibilities, and advancing its business plan through its development stage. This objective is covered by the base fees paid for the services of the (3) three NEO's; see "*Part Two – Global NV - Material Agreements*" for further details; and
2. The commitment to long-term growth and increased shareholder value as determined through Global NV's Share price. It is anticipated that this objective will, in the future following completion of the proposed Merger, be covered through the awarding of stock options under the Resulting Issuer's Stock Option Plan.

Base Fees and Discretionary Bonuses

Base fees or salaries are compensation for ongoing job responsibilities and reflect the level of skills, experience, expertise, and capabilities demonstrated by the executive officers. Executive officers and the Board meet to determine what both sides consider to be fair and reasonable base fees. The Board must give final approval of these compensation arrangements. When considering the base compensation to be paid to executive officers, Global NV's Board must consider the risk that, if the compensation is not adequate, it might result in a high turnover rate of executive officers which could be detrimental to Global NV. As an early stage enterprise, however, it is necessary to strike a balance in this regard so that the compensation is not so high that Global NV is unable to meet its obligations to its executive officers over the long term which could result in loss of that officer and the corporate knowledge and expertise that officer represents.

Executive officers are also eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, the achievement of individual and corporate objectives, and Global NV's financial performance. Cash bonuses are intended to reward executive officers for meeting or exceeding individual and corporate performance objectives set by the Board. As at the date of this Prospectus, Global NV has not paid out any such bonuses and has not set any objectives whereby its executive officers might earn such bonuses at this time. It is the expectation that Global NV's Board will review this element of Global NV's compensation program during the current fiscal year to determine the impact, including the benefits and risks that offering short-term incentives to its executives, would have on the overall performance of Global NV and its management team.

Benefits and Perquisites

In general, Global NV intends to provide a specific benefit or perquisite when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites Global NV provides its executives may include reimbursement for their out-of-pocket costs. Historical payments of such benefits and perquisites are set out, respectively, in the "*Part Two – Global NV - Table of Compensation*" above.

Pension Plan Benefits

Global NV does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS OF GLOBAL NV

No director, executive officer or employee of Global NV or their respective associates or affiliates is indebted to Global NV as of the date of this Prospectus or at any time during the most recently completed financial year of Global NV.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE OF GLOBAL NV

Audit Committee

As a private issuer, Global NV does not have an audit committee. The functions of an audit committee are performed by the Global NV Board as a whole.

Auditor's Fees

The fees billed by Global NV's external auditor for the years ending December 31, 2018, 2017 and 2016 are set out in the table below.

	Year Ended December 31, 2016 (\$)	Year Ended December 31, 2017 (\$)	Year Ended December 31, 2018 (\$)
Audit Fees	\$22,000	\$22,000	\$50,000
Audit-Related Fees	-	-	-
Tax Fees	-	-	-
All Other Fees	\$22,000	\$22,000	\$50,000

Reliance on Certain Exemptions

Since May 31, 2018, Global NV's date of incorporation, Global NV has never been, and is currently not, a "**reporting issuer**" and, accordingly, Global NV is exempt from the requirements of NI 52-110.

Corporate Governance

Corporate governance relates to the activities of Global NV's Board, the members of which are elected by, and are accountable to, the shareholders, and considers the role of the individual members of management who are appointed by the Global NV Board and who are charged with the day-to-day management of Global NV. The Global NV Board and senior management consider good corporate governance to be central to the effective and efficient operation of Global NV. Global NV's corporate governance practices are set forth below.

Board of Directors

Global NV currently has two (2) directors, both of whom are not "**independent**" within the meaning ascribed to that term by the Canadian Securities Administrators in NI 52-110 in relation to Audit Committees. In that context, a director is independent if he or she has no direct or indirect material relationship with Global NV. A "**material relationship**" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. Certain types of relationships are by their nature considered to be material relationships.

Brad Wyatt is not independent because he is the Chief Executive Officer of Global NV and Glenn Dooley is not independent because he is the Vice President, Secretary and Chief Operating Officer of Global NV. As Global NV is a “**private issuer**” and is not a “**reporting issuer**”, Global NV is not currently subject to the requirements of NI 52-110.

Directorships

None of the directors of Global NV are also directors of other issuers that are reporting issuers (or the equivalent).

Orientation and Continuing Education

Changes to the Global NV Board are infrequent so there is no need for a formal orientation program for directors. The Global NV Board does not provide formal continuing education for directors. Directors of Global NV maintain the skill and knowledge necessary to meet their obligations as directors through a combination of their existing education, experience as businesspersons and managers, professional continuing education requirements, service as directors of other issuers and advice from Global NV’s legal counsel, auditor and other advisers.

Ethical Business Conduct

As Global NV is in its formative and development stages, the Global NV Board has not yet adopted a written code of business conduct and ethics for its directors, officers and employees. The Global NV Board believes that the skill and knowledge of the Global NV Board members and advice from counsel ensure that the directors of Global NV exercise good judgment in considering transactions and agreements in respect of which a director or officer has a material interest.

Directors and officers of Global NV are expected to disclose dealings in the industry in which Global NV operates. They are also subject to the general obligation under corporate law to declare and fully disclose any conflict of interest, refrain from participating in any discussion and not vote on any material contract or transaction with Global NV in which the applicable director or officer has an interest. Global NV currently has only (2) two directors. Accordingly, any such related party contract or transaction would require approval of the one independent director or, if there is no independent director, shareholder approval or ratification.

Nomination of Directors

Global NV does not have a formal process or committee for proposing new nominees to the Global NV Board. Changes to the Global NV Board have historically been infrequent.

Compensation

The Global NV Board has not appointed a compensation committee.

Other Board Committees

There are no committees of the Global NV Board at this time.

Assessments

The Global NV Board has responsibility for assessing the effectiveness of the Global NV Board as a whole, and the contribution of individual directors. Owing to the small size of the Global NV Board, no formal process is in place. The shareholders have the ultimate authority to determine whether to re-elect the current directors or to elect a replacement director.

RISK FACTORS OF GLOBAL NV

Global NV’s business and stated business objectives are the business and stated business objectives stated herein.

An investment in the Common Shares involves a high degree of risk and should be considered highly speculative due to the nature of Global NV’s business and its present stage of development. An investment in Global NV’s securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk loss of their entire investment. Prospective investors should consult with their professional advisors to assess an investment in Global NV’s securities. In evaluating Global NV and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in Global NV or in connection with Global NV’s operations.

Risks Related to Hemp and Cannabis Industry

Cannabis is Federally Illegal.

Federal Laws concerning cannabis currently conflict with state laws in states that have legalized cannabis or possession of cannabis. Although federal enforcement policy may at times defer to these states' laws and not enforce conflicting federal laws, interested businesses and individuals should be aware that compliance with the state law in no way assures compliance with federal law, and there is a risk that conflicting federal laws may be enforced in the future.

The possession, distribution, and manufacturing of marijuana is illegal under federal law, regardless of state law which may, in some jurisdictions, decriminalize such activity under certain circumstances. Penalties for violating federal drug laws are very serious. For example, a conviction of conspiracy to sell drugs carries a mandatory minimum prison term of five (5) years for a first offense and, depending on the quantity of marijuana involved, the fine for such a conviction could be as high as \$10,000,000. In addition, the federal government may seize, and seek the civil forfeiture of, the real or personal property used to facilitate the sale of marijuana as well as the money or other proceeds from the sale. Although the U.S. Department of Justice ("**DOJ**") recently rescinded its guidance regarding the prioritization of criminal prosecutions of individuals and entities operating in compliance with effective state regulatory systems, the DOJ left in place long standing guidance to federal prosecutors regarding how to exercise this discretion. Individuals and companies are cautioned to consult with experienced attorneys regarding their exposure to potential criminal prosecution before establishing or investing in business operations in reliance upon the passage of state laws which may decriminalize such activity. Federal authority to prosecute violations of federal law as crimes or through seizures and forfeiture actions is not diminished by state law. Indeed, due to the federal government's jurisdiction over interstate commerce, when businesses provide services to marijuana producers, processors or distributors located in multiple states, they potentially face a higher level of scrutiny from federal authorities than do their customers with local operations.

Hemp and cannabis businesses may not be able to secure bank accounts.

Under current federal and some state laws many banks and financial institutions are unwilling to bank the hemp and cannabis industry. The inability to obtain traditional bank financing may place extraordinary pressures on the business and cause it to borrow money from private sources at extreme interest rates and under other costly terms and conditions making it difficult for Global NV to operate.

Internal Revenue Code 208E.

IRC 208E prohibits cannabis businesses from claiming a credit or deduction for any amount paid or incurred during the taxable year in carrying on any trade or business if such trade or business consists of trafficking in controlled substances which is prohibited by Federal Law or the law of any State in which such trade or business is conducted. If there were a change in regulations to reclassify Global NV's business as a cannabis business, we may not be able to deduct our operating costs.

State cannabis laws are not uniform from state to state and can, and do, change constantly.

State cannabis and hemp laws are inconsistent with each other and federal laws and are constantly changing. The changing and inconsistent nature of the laws may create conflict and the inability for Global NV to conduct business in a particular state or across state lines.

State licensure and local government regulation.

Global NV is subject to government oversight and testing including supervision by the Colorado Department of Agriculture. Failure to meet these governmental standards could result in suspension of Global NV's operations and/or seizure and destruction of its crops.

Risks Relating to Global NV

Limited Operating History

Global NV has a limited history of operations and is considered a development-stage company. As such, it may be difficult to evaluate this Prospectus for profitable operations and Global NV's ability to produce a positive return for shareholders. Global NV is subject to many risks common to such enterprises, including under-capitalization, cash

shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that Global NV will be successful in achieving a return on the shareholders' investments and the likelihood of success must be considered in light of our early stage of operations.

Certain existing shareholders will be able to exert control over us to the detriment of minority shareholders.

Global NV's executive officers, directors and major shareholders collectively own, directly or indirectly, approximately fifty-nine percent (59%) of our outstanding stock. As a result, these shareholders, if they act together, will be able to control our management and affairs and all matters requiring shareholder approval, including significant corporate transactions. This concentration of ownership may have the effect of delaying or preventing our change in control and might affect the market price of our Common Shares.

This concentration of ownership may have the effect of delaying, deferring or preventing a change in control, impeding a merger, consolidation, takeover or other business combination involving us, or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control, which in turn could materially and adversely affect the market price of the Common Shares.

Minority shareholders of Global NV will be unable to affect the outcome of stockholder voting as long as the Officers or any other party retains a controlling interest.

If our Officers collectively sell or transfer all or a significant portion of their shares of our Common Shares, a change of control could result, which could significantly disrupt our operations. A change of control at the shareholder level could result in a change to the composition of our Board and, ultimately, a change in our management and business plan. Any such transition could lead to, among other things, a decline in service levels, disruption in our operations and departures of key personnel, which could in turn harm our business.

Investors will have a limited say in management of Global NV operations.

The Board of Directors and Officers of Global NV will determine policies with respect to business operations, be responsible for the management of Global NV's operations and will supervise, direct, and manage the efforts of Global NV. Neither you nor any other investor will have any right to participate in the management of Global NV's business. Investors will only participate in management by voting their shares, and by law our management is only required to seek a shareholder vote on a limited range of matters. Accordingly, you should only acquire shares of Common Shares if you are willing to entrust management of our operations to the Board of Directors and executive Officers. The removal and disassociation of any of the Directors or Officers could adversely affect your investment in the Common Shares.

There is no public market for the securities.

None of Global NV's shares has been registered under the Securities Act of 1933, and so any shares sold in this offering must be held indefinitely unless they are subsequently registered under the Securities Act or unless an exemption from the registration requirements of the Securities Act is available. Rule 144 promulgated under the Securities Act, which provides an exemption from registration for dispositions of unregistered securities under certain circumstances, is not currently available with respect to any of our securities. Certificates representing any shares sold in this offering will bear legends with respect to restrictions on subsequent transfers. There is no public market for any of our securities, nor can we assure you that one will develop. Consequently, purchasers of our shares will not be able to liquidate their investments readily and will have to bear the economic risk of their investments for an indefinite period.

Global NV has a history of operating losses and cannot give assurance of future revenues or operating profits; investors may lose their entire investment.

For the fiscal years ended December 31, 2016, 2017 and 2018 we had net losses of \$349,110, \$73,469 and \$2,562,814. We expect we may incur losses as we spend additional capital to develop and market our products and establish our infrastructure and organization to support anticipated operations. We expect to generate revenues on introduction of new products, but there can be no assurance that we will be able to do so, or that the amount and timing of any such revenues will match our expectations. If Global NV continues to suffer losses as it has in the past, investors may not receive any return on their investment and may lose their entire investment.

Global NV plans to grow quickly; if it cannot effectively manage growth, Global NV's business may suffer.

Global NV plans to rapidly and significantly expand its operations in 2019, 2020 and 2021. This growth will place and is expected to continue to place, a strain on our personnel, management, financial and other resources. Some of Global NV's Officers have little experience working together. To manage growth effectively, Global NV must, among other things:

- Acquire more land and build processing facilities;
- upgrade and expand our farming, production, and manufacturing, and capacity in a timely manner;
- successfully attract, train, motivate and manage a larger number of employees for farming and manufacturing, sales, and customer support activities;
- control working capital requirements; and
- improve the efficiencies within our operating, administrative, financial and accounting systems, procedures and controls.

To meet our growth objectives, we must attract and retain skilled technical, operational, managerial and sales and marketing personnel. If we fail to attract and retain the necessary personnel, we may be unable to achieve our business objectives and may lose our competitive position, which could lead to a significant decline in net sales. We face significant competition for skilled industry professionals from other companies, and research and academic institutions, and other organizations.

If we fail to manage our growth properly, we may incur unnecessary expenses and the efficiency of our operations may decline, adversely affecting our business and the price of our stock.

We are dependent upon TargetPath in the development and management of our Aethics products.

Global NV has partnered with TargetPath who holds an equity position in Global NV. TargetPath is currently providing most all of Global NV's consumer facing product development, marketing, and sales personnel and support resources. The loss of this relationship would significantly and negatively impact Global NV's ability to realize its growth goals and objectives negatively impacting the Common Share price.

Our market is subject to rapid change and, to compete, we must continually enhance our products and services.

We must continue to enhance and improve the performance, functionality, and reliability of our products. There are many new competitors in this market and our success will be, in part, being first to market and also will depend, in part, on our ability to enhance our existing products, develop new products that address the increasingly sophisticated and varied needs of our customers, and respond to consumer demands and emerging industry standards and practices on a cost-effective and timely basis. The development of our products and other proprietary technology involves significant technical and business risks. We may fail to use new technologies effectively or to adapt our proprietary technology and systems to customer requirements or emerging industry standards. If we are unable to adapt to changing market conditions, customer requirements or emerging industry standards, we may not be able to increase our revenues and expand our business.

Our products are subject to future price compression as additional businesses enter this space.

Currently there are relatively few businesses in the Industrial Hemp and CBD space. As more competitors enter the space it is anticipated that there will be price compression and downward trends in the price of our products. If we are unable to manage these pressures and improve our efficiencies, there may be a negative impact on profitability and the price of the Common Shares.

Future acquisitions of land may disrupt our business and result in additional expenses, which could harm our business.

We plan to continue to acquire land for increased cultivation capacity and production. Global NV's crops require water and acceptable acquisition of land with the required water resources may not be available in the future or may not be available on terms and conditions acceptable to us.

Acquisitions involve numerous risks including among others, difficulties and expenses incurred in the consummation of acquisitions and the assimilation of the operations, personnel, and services and products of the acquired companies. Additional risks associated with acquisitions include the difficulties of cultivating the new land, the diversion of management's attention from other business concerns and the potential processing or transporting

the crops from the newly acquired location. If we do not successfully integrate the businesses we may acquire in the future, our business will suffer.

Some of our competitors are much larger than we are, have better name recognition than we do and have far greater financial and other resources than we do. If we cannot effectively compete, our business may suffer, and the price of our stock would decrease.

Many of our competitors have longer operating histories, substantially greater financial, technical, marketing or other resources, or greater name recognition than we do. Charlotte's Web, CBDRx, and CBDistillery have a substantial operating history, distribution channels, and operational resources. Our competitors may be able to respond more quickly than we can to new or emerging technologies and changes in customer requirements. Changes in regulations and decriminalization of hemp in certain states or countries is likely to dramatically increase competition. Competition could seriously impede our ability to sell additional products and services on terms favorable to us. Our current and potential competitors may develop and market new technologies that render our existing or future products obsolete, unmarketable, or less competitive. Our current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with other providers, thereby increasing the availability of their services to address the needs of our current and prospective customers. We may not be able to compete successfully against our current and future competitors, and competitive pressures that we encounter may seriously harm our business.

Intense competition in our target market could impair our ability to grow and to achieve profitability.

The market that our products seek to serve is becoming intensely competitive, dynamic, and subject to rapid regulatory change. The intensity of the competition and the pace of change are expected to increase in the future. Increased competition is likely to result in price reductions, reduced gross margins, and loss of market share, any one of which could have an adverse effect on our business. Competitors vary in size and in the scope and breadth of the products they offer.

Claims by others that we infringe their intellectual property rights could increase our expenses and delay the development of our business. As a result, our business and financial condition could be harmed.

Our industry is emerging and may be characterized by the existence of patents and intellectual property claims and related litigation regarding patent and other intellectual property rights. We cannot be certain that our products do not and will not infringe issued patents, patents that may be issued in the future, or other intellectual property rights of others.

We do not conduct exhaustive patent searches to determine whether the technology used in our products infringes patents held by third parties. In addition, product development is inherently uncertain in a rapidly evolving technological environment in which there may be numerous patent applications pending, many of which are confidential when filed, with regard to similar technologies.

We may face claims by third parties that our products or technology infringe their patents or other intellectual property rights. Any claim of infringement could cause us to incur substantial costs defending against the claim, even if the claim is invalid, and could distract the attention of our management. If any of our products are found to violate third-party proprietary rights, we may be required to pay substantial damages. In addition, we may be required to re-engineer our products or obtain licenses from third parties to continue to offer our products. Any efforts to re-engineer our products or obtain licenses on commercially reasonable terms may not be successful, which would prevent us from selling our products, and, in any case, could substantially increase our costs and have a material adverse effect on our business, financial condition and results of operations.

Fluctuations in our quarterly revenue and results of operations could depress the market price of our Common Shares.

Our future net sales and results of operations are likely to vary significantly from quarter to quarter due to several factors, many of which are outside our control including the market conditions relative to the value of crops. Accordingly, you should not rely on quarter-to-quarter comparisons of our results of operations as an indication of future performance. It is possible that our revenue or results of operations in a quarter will fall below the expectations of securities analysts or investors. If this occurs, the market price of our Common Shares could fall significantly. Our results of operations in any quarter can fluctuate for many reasons, including:

- timing of wholesale product sales relative to harvest;
- timing of orders from our largest customers;
- our ability to perform under contracts and manufacture, test and deliver products in a timely and cost-effective manner;
- our success developing new products and fulfilling orders;
- the timing of new product introductions by us or our competitors;
- the mix of products we sell;
- competitive pricing pressures; and
- general economic climate.

A large portion of our expenses, including expenses for facilities, equipment, and personnel, are relatively fixed.

Accordingly, if our revenues decline or do not grow as much as we anticipate, we might be unable to maintain or improve our operating margins. Any failure to achieve anticipated revenues could therefore significantly harm our operating results for a particular fiscal period.

Our ability to service our debt and meet our cash requirements depends on many factors, some of which are beyond our control.

Current banking conditions and regulations make it difficult to predict the availability of future cash or financing. Although there can be no assurances, we believe that the level of borrowings available to us, combined with cash provided by our operations, will be sufficient to provide for our cash requirements for the foreseeable future. However, our ability to satisfy our obligations will depend on our future operating performance and financial results, which will be subject, in part, to factors beyond our control, including interest rates and general economic, financial and business conditions. If we are unable to generate sufficient cash flow to service our debt, we may be required to:

- refinance all or a portion of our debt;
- obtain additional financing;
- sell some of our assets or operations;
- reduce or delay capital expenditures and/or acquisitions; or
- revise or delay our strategic plans.

If we are required to take any of these actions, it could have a material adverse effect on our business, financial condition, results of operations and liquidity. In addition, we cannot assure you that we would be able to take any of these actions, that these actions would enable us to continue to satisfy our capital requirements or that these actions would be permitted under the terms of our credit facilities if we enter into any.

We could experience delays in developing our products if we lose key personnel.

We believe our future success will depend upon our ability to retain key management. If we were to lose the services of either Brad Wyatt, our chief executive officer, or Scott Darnell, marketing, we would likely lose some portion of our institutional knowledge and technical know-how, potentially causing a substantial delay in one or more of our development programs until adequate replacement personnel could be hired and trained. We do not have key-man life insurance policies on the lives of any of our employees.

Risks relating to new corporate governance standards.

We expect administrative costs and expenses resulting from new regulations to increase, adversely affecting our financial condition and results of operations.

We anticipate significant changes in the regulation of hemp companies in the next twenty-four (24) months resulting in new corporate governance requirements. These regulations, when we become subject to them, will increase our legal and financial compliance costs and make some activities more difficult, time-consuming and costly.

New corporate governance requirements have made it more difficult to attract qualified directors. As a result, our business may be harmed, and the price of our stock may be adversely affected.

New corporate governance requirements have increased the role and responsibilities of directors and executive officers. These new requirements have made it more expensive for us to maintain director and officer liability insurance. We may be required to accept reduced coverage or incur significantly higher costs to maintain coverage.

If we fail to maintain effective internal controls over financial reporting, the price of our Common Shares may be adversely affected.

We are required to establish and maintain appropriate internal controls over financial reporting. Our internal controls over financial reporting may have weaknesses and conditions that need to be addressed, the disclosure of which may have an adverse impact on the price of our Common Shares.

Failure to establish those controls, or any failure of those controls once established, could adversely impact our public disclosures regarding our business, financial condition or results of operations. In addition, management's assessment of internal controls over financial reporting may identify weaknesses and conditions that need to be addressed in our internal controls over financial reporting or other matters that may raise concerns for investors. Any actual or perceived weaknesses and conditions that need to be addressed, disclosure of management's assessment of our internal controls over financial reporting or disclosure of our independent registered public accounting firm's attestation to or report on management's assessment of our internal controls over financial reporting may have an adverse impact on the price of our Common Shares.

The standards that must be met for management to assess the effectiveness of the internal control over financial reporting are new and complex, and require significant documentation, testing and possible remediation to meet the detailed standards. We may encounter problems or delays in completing activities necessary to make an assessment of its internal control over financial reporting. In addition, we may encounter problems or delays in completing the implementation of any requested improvements and receiving an attestation of its assessment by our independent registered public accountants. If management cannot assess our internal control over financial reporting as effective, or our independent registered public accounting firm is unable to issue an unqualified attestation report on such assessment, investor confidence and share value may be negatively impacted.

Farming competition

Aside from local regulations, there are relatively few restrictions on who can grow Industrial Hemp.

Lack of cash reserves

Global NV has limited cash reserves and a limited operating history upon which an evaluation of this Prospectus can be made.

Lack of other assets

Global NV has limited tangible assets and a limited operating history upon which an evaluation of this Prospectus can be made.

Global NV's actual financial position and results of operations may differ materially from the expectations of Global NV's management

Global NV's actual financial position and results of operations may differ materially from management's expectations. Global NV has experienced some changes in its operating plans and certain delays in its plans. As a result, Global NV's revenue, net income and cash flow may differ materially from Global NV's projected revenue, net income and cash flow. The process for estimating Global NV's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed.

In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect Global NV's financial condition or results of operations.

Global NV expects to incur significant ongoing costs and obligations related to its investment in infrastructure, growth, regulatory compliance and operations

Global NV expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on Global NV's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to Global NV's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Global NV. Our efforts to grow our business may be

costlier than we expect, and we may not be able to increase our revenue enough to offset our higher operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described in this Prospectus, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to achieve and sustain profitability, the market price of our Common Shares may significantly decrease.

The hemp and CBD industry and market are relatively new in Colorado and this industry and market may not continue to exist or grow as anticipated or Global NV may be ultimately unable to succeed in this new industry and market

Global NV is operating its business in a relatively new industry and market. In addition to being subject to general business risks, Global NV must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the cannabis industry and market could have a material adverse effect on Global NV's business, financial conditions and results of operations.

There are factors which may prevent Global NV from the realization of growth targets

Global NV is currently in the expansion from early development stage. Global NV's Growth Plan contemplates building the Facilities (see "Part Two – Global NV - Description of the Business of Global NV – Research and Development"). There is a risk that these additional resources will not be achieved on time, on budget, or at all, as they can be adversely affected by a variety of factors, including some that are discussed elsewhere in these "Risk Factors" and the following:

- delays in obtaining, or conditions imposed by, regulatory approvals;
- facility design errors;
- environmental pollution; non-performance by third party contractors; increases in materials or labor costs; construction performance falling below expected levels of output or efficiency;
- breakdown, aging or failure of equipment or processes;
- contractor or operator errors;
- operational inefficiencies;
- labor disputes, disruptions or declines in productivity;
- inability to attract sufficient numbers of qualified workers;
- disruption in the supply of energy and utilities; and
- major incidents and/or catastrophic events such as fires, explosions, storms, or physical attacks.

Construction Risk Factors

Global NV is subject to several risk factors, including the availability and performance of engineering and construction contractors, suppliers and consultants, the receipt of required governmental approvals and permits in connection with the construction of the Facilities. Any delay in the performance of any one or more of the contractors, suppliers, consultants or other persons on which Global NV is dependent in connection with its construction activities, a delay in or failure to receive the required governmental approvals and permits in a timely manner or on reasonable terms, or a delay in or failure in connection with the completion and successful operation of the operational elements in connection with construction could delay or prevent the construction and start-up of the Facilities as planned. There can be no assurance that current or future construction plans implemented by Global NV will be successfully completed on time, within budget and without design defect; that available personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects; that Global NV will be able to obtain all necessary governmental approvals and permits; or that the completion of the construction, the start-up costs and the ongoing operating costs will not be significantly higher than anticipated by Global NV. Any of the foregoing factors could adversely impact the operations and financial condition of Global NV.

Facilities

The Facilities are expected to become integral to Global NV's business and adverse changes or developments affecting any of the Facilities may impact Global NV's business, financial condition and results of its operations. Global NV's activities and resources are currently focused on finalizing the move to Facility B.

Global NV has also commenced plans to complete the construction of Facility C and purchased the steel building and is expecting to complete the build-out of Facility D. Adverse changes or developments affecting the Facilities, including but not limited to a ***force majeure*** event or a breach of security, could have a material adverse effect on Global NV's business, financial condition and prospects. Any breach of Facility requirements, including any failure to obtain necessary local permits, licenses, or approvals, could also have an impact on Global NV's ability to secure local and State licensure.

Global NV anticipates that the addition of Facility B, Facility C and Facility D will have the potential to significantly increase Global NV's cultivation and growing capacity. The state license approval process is not competitive and there is no limit on the number of state licenses an entity may hold (see "*Part Two – Global NV – Regulatory Overview – State Regulation of Industrial Hemp*"). However, no assurance can be given that Global NV will receive the requisite state and local jurisdictional approvals. If Global NV is unable to secure the appropriate licenses, the expectations of management with respect to the increased future cultivation and growing capacity may not be borne out, which could have a material adverse effect on Global NV's business, financial condition and results of operations. Further, construction delays or cost over-runs in respect to the construction of Facility C or the build out of Facility D, howsoever caused, could have a material adverse effect on Global NV's business, financial condition and results of operations.

Reliance on Third-Party Suppliers, Manufacturers and Contractors

Global NV intends to maintain a full supply chain for the provision of products and services to the regulated cannabis industry. Due to the uncertain regulatory landscape for regulating cannabis in the U.S., Global NV and its third-party suppliers, manufacturers and contractors may elect, at any time, to decline or withdraw services necessary for Global NV's operations. Loss of these suppliers, manufacturers and contractors may have a material adverse effect on Global NV's business and operational results.

Global NV may not be able to develop its products, which could prevent it from ever becoming profitable

If Global NV cannot successfully develop, manufacture and distribute its products, or if Global NV experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, Global NV may not be able to develop market-ready commercial products at acceptable costs, which would adversely affect Global NV's ability to effectively enter the market. A failure by Global NV to achieve a low-cost structure through economies of scale or improvements in cultivation and manufacturing processes would have a material adverse effect on Global NV's commercialization plans and Global NV's business, prospects, results of operations and financial condition.

Global NV's officers and directors control a large percentage of Global NV's issued and outstanding Common Shares and such officers and directors may have the ability to control matters affecting Global NV and its business

The officers and directors of Global NV currently own approximately forty-two percent (42%) of the issued and outstanding Common Shares. Global NV's shareholders nominate and elect the Board, which generally has the ability to control the acquisition or disposition of Global NV's assets, and the future issuance of its Common Shares or other securities. Accordingly, for any matters with respect to which a majority vote of the Common Shares may be required by law, Global NV's directors and officers may have the ability to control such matters. Because the directors and officers control a substantial portion of such Common Shares, investors may find it difficult or impossible to replace Global NV's directors if they disagree with the way Global NV's business is being operated.

There is no assurance that Global NV will turn a profit or generate immediate revenues

There is no assurance as to whether Global NV will be profitable, earn revenues, or pay dividends. Global NV has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, Global NV's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

Global NV's operations are subject to environmental regulation in the jurisdiction in which it operates

These regulations mandate, among other thing, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and

hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Global NV's operations.

Government environmental approvals and permits are currently and may in the future be required in connection with Global NV's operations. To the extent such approvals are required and not obtained, Global NV may be curtailed or prohibited from its proposed business activities or from proceeding with the development of its operations as currently proposed.

Failure to comply with applicable environmental laws, regulations and permitting requirement may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or to be curtailed, and may include corrective measure requiring capital expenditures, installation of additional equipment, or remedial actions. Global NV may be required to compensate those suffering loss or damage due to its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Global NV faces competition from other companies where it will conduct business that may have higher capitalization, more experienced management or may be more mature as a business

An increase in the companies competing in this industry could limit the ability of Global NV to expand its operations. Current and new competitors may be better capitalized, a longer operating history, more expertise and able to develop higher quality equipment or products, at the same or a lower cost. Global NV cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by Global NV could have a material adverse effect on its business, operating results and financial condition. In addition, despite certain state-level legalization of marijuana in California, marijuana remains illegal federally and in certain other states. Illicit or "**black-market**" operations therefore remain abundant and present substantial competition to Global NV. In particular, illicit operations, despite being largely clandestine, are not required to comply with the extensive regulations that Global NV must comply with to conduct business, and accordingly may have significantly lower costs of operation.

If Global NV is unable to develop and market new products, it may not be able to keep pace with market developments

The cannabis industry is in its early stages and it is likely that Global NV and its competitors will seek to introduce new products in the future. In attempting to keep pace with any new market developments, Global NV will need to expend significant amounts of capital in order to successfully develop and generate revenues from, new products. Global NV may also be required to obtain additional regulatory approvals from applicable authorities which may take significant time. Global NV may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which together with capital expenditures made in the course of such product development and regulatory approval processes, may have a material adverse effect on Global NV's business, financial condition and results of operations.

If Global NV is unable to attract and retain key personnel, it may not be able to compete effectively in the cannabis market

Global NV's success has depended and continues to depend upon its ability to attract and retain key management, including Global NV's and subsidiaries CEOs, technical experts and sales personnel. Global NV will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. Global NV's inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on Global NV's business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of Global NV, results of operations of the business and could limit Global NV's ability to develop and market its cannabis-related products. The loss of any of Global NV's senior management or key employees could materially adversely affect Global NV's ability to execute our business plan and strategy, and Global NV may not be able to find adequate replacements on a timely basis, or at all. Global NV does not maintain key person life insurance policies on any of our employees.

The size of Global NV's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data

Because the cannabis industry is in a nascent stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in Global NV and, few, if any, established companies whose business model Global NV can follow or upon whose success Global NV can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in Global NV. There can be no assurance that Global NV's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. Global NV regularly purchases and follows market research.

Global NV's industry is experiencing rapid growth and consolidation that may cause Global NV to lose key relationships and intensify competition

The cannabis industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm Global NV in several ways, including by losing strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing Global NV to expend greater resources to meet new or additional competitive threats, all of which could harm Global NV's operating results. As competitors enter the market and become increasingly sophisticated, competition in Global NV's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability.

Global NV continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders

There is no guarantee that Global NV will be able to achieve its business objectives. The continued development of Global NV will require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or Global NV going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to Global NV.

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Global NV's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of Global NV have discretion to determine the price and the terms of issue of further issuances. Moreover, additional Common Shares will be issued by Global NV on the conversion of convertible debt and upon the exercise of outstanding warrants. In addition, from time to time, Global NV may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase Global NV's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for Global NV to obtain additional capital and to pursue business opportunities, including potential acquisitions. Global NV may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flows may restrict Global NV's ability to pursue its business objectives.

Global NV currently has insurance coverage; however, because Global NV operates within the cannabis industry, there are additional difficulties and complexities associated with such insurance coverage

Global NV believes that it and its subsidiaries, including Global NV, currently have sufficient insurance coverage with respect to its operations as of the date hereof, including the ongoing stages of construction and development of Global NV's Facilities. As Global NV continues to execute its business plan and further grow its operations, Global NV will increase insurance coverage to ensure sufficient coverage for workers' compensation, general liability, directors' and officers' insurance, fire and other similar policies customarily obtained for businesses to the extent commercially appropriate. However, because Global NV is engaged in and operates within the cannabis industry, there are exclusions and additional difficulties and complexities associated with such insurance coverage that could cause Global NV to suffer uninsured losses, which could adversely affect Global NV's business, results of operations, and profitability. There is no assurance that Global NV will be able to fully utilize such insurance coverage, if necessary.

The cultivation of cannabis includes risks inherent in an agricultural business including the risk of crop loss, sudden changes in environmental conditions, equipment failure, product recalls and others

Global NV's future business involves the growing of marijuana, an agricultural product. Such business will be subject to the risks inherent in any agricultural business, such as insects, plant diseases and similar agricultural risks. Although Global NV expects that any such growing will be completed indoors under climate-controlled conditions, there can be no assurance that natural elements will not have a material adverse effect on any such future production.

Global NV may be subject to product recalls for product defects self-imposed or imposed by regulators

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of Global NV's products are recalled due to an alleged product defect or for any other reason, Global NV could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. Global NV may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although Global NV has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits.

Additionally, if one of Global NV's significant brands were subject to recall, the image of that brand and Global NV could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for Global NV's products and could have a material adverse effect on the results of operations and financial condition of Global NV. Additionally, product recalls may lead to increased scrutiny of Global NV's operations by regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Global NV is reliant on key inputs, such as water and utilities, and any interruption of these services could have a material adverse effect on Global NV's finances and operation results. Global NV is also dependent on access to skilled labor, equipment and parts

Global NV's business is dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of Global NV. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of Global NV.

The ability of Global NV to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labor, equipment, parts and components. No assurances can be given that Global NV will be successful in maintaining the required supply of skilled labor, equipment, parts and components. It is also possible that the expansion and construction plans for the Facilities contemplated by Global NV may cost more than anticipated, in which circumstance Global NV may curtail, or extend timeframes for completing its Growth Plan. This could have a material adverse effect on the financial results and operations of Global NV.

The expansion of the medical cannabis industry may require new clinical research into effective medical therapies, when such research has been restricted in the U.S.

Research in the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although Global NV believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Prospectus or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to medical cannabis, which could have a material adverse effect on the demand for Global NV's products with the potential to lead to a material adverse effect on Global NV's business, financial condition and results of operations.

Global NV could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against Global NV

Global NV is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to Global NV that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and state healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for Global NV to identify and deter misconduct by its employees and other third parties, and the precautions taken by Global NV to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting Global NV from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Global NV, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of Global NV's operations, any of which could have a material adverse effect on Global NV's business, financial condition and results of operations.

Global NV will be reliant on information technology systems and may be subject to damaging cyber-attacks

Global NV has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with its operations. Global NV's operations depend, in part, on how well it and its suppliers protect networks, equipment, IT systems and software against damage from several threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. Global NV's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact Global NV's reputation and results of operations.

Global NV has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that Global NV will not incur such losses in the future. Global NV's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, Global NV may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Global NV may be subject to breaches of security at its Facilities

Given the nature of Global NV's product, growing methods, and its lack of legal availability outside of channels approved by the Government of Colorado, as well as the concentration of inventory in its facilities, despite meeting or exceeding the security requirements, there remains a risk of shrinkage as well as theft. A security breach at one of Global NV's Facilities could expose Global NV to additional liability and to potentially costly litigation, increased expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing Global NV's products.

Global NV's officers and directors may be engaged in a range of business activities resulting in conflicts of interest

Global NV may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, Global NV's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to Global NV. In some cases, Global NV's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to Global NV's business and affairs and that could adversely affect Global NV's operations. These business interests could require significant time and attention of Global NV's executive officers and directors.

In addition, Global NV may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or companies with which Global NV may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of Global NV. In addition, from time to time, these persons may be competing with Global NV for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of Global NV's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of Global NV are required to act honestly, in good faith and in the best interests of Global NV.

In certain circumstances, Global NV's reputation could be damaged

Damage to Global NV's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding Global NV and its activities, whether true or not. Although Global NV believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, Global NV does not ultimately have direct control over how it is perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to Global NV's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.

Negative Operating Cash Flow

Global NV has incurred losses since the date of inception. Although we expect to become profitable, there is no guarantee that will happen, and we may never become profitable. We currently have a negative operating cash flow and may continue to have that for the foreseeable future. To date, we have not generated any revenues and a large portion of our expenses are fixed, including expenses related to facilities, equipment, contractual commitments and personnel. As a result, we expect our net losses from operations to improve. Our ability to generate additional revenues and potential to become profitable will depend largely on our ability, to manufacture and market our products. There can be no assurance that any such events will occur or that we will ever become profitable. Even if we do achieve profitability, we cannot predict the level of such profitability. If we sustain losses over an extended period of time, we may be unable to continue our business.

Need for Additional Financing

We believe that Global NV will have sufficient capital to operate our business for at least twelve (12) months from the date of this Prospectus. However, it is possible that costs associated with the operation of our business will exceed our projections depending on the timing of future operating and capital expenses. Assuming the proceeds from our existing funds sustain our operations for this period, we believe we may thereafter require additional capital for additional product development, sales and marketing operations, other operating expenses and for general corporate purposes to fund growth in our markets. We do not know how much additional funding we may require. Global NV may therefore be required to seek other sources of financing in the future, which sources (assuming we are able to locate such alternative sources of financing) may be on terms less favorable than desired. Any additional equity financing may be dilutive to shareholders, and debt financing, if available, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the shareholders of Global NV will be reduced, shareholders may experience additional dilution in net book value per share, or such equity securities may have rights, preferences or privileges senior to those of the holders of the Common Shares. If adequate funds are not available on acceptable terms, we may be unable to develop or enhance our products, take advantage of future opportunities or respond to competitive pressures, any of which could have a material adverse effect on our business, financial condition and operating results, or we may be forced to cease operations.

Product Liability

As a manufacturer and distributor of products designed to be ingested by humans, Global NV faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of Global NV's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions, including illness or injury, resulting from human consumption of Global NV's products alone or in

combination with products that are not produced by Global NV, may result from inadequate instructions for use or inadequate warnings concerning possible side effects or interactions with those other substances. A product liability claim or regulatory action against Global NV could result in increased costs, could adversely affect Global NV's reputation with its clients and consumers generally and could have a material adverse effect on our results of operations and financial condition of Global NV.

There can be no assurances that Global NV will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of Global NV's potential products. As of the current date, Global NV has a small amount of insurance coverage for construction and general liabilities.

If we have a material weakness in our internal controls over financial reporting, investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our securities

One or more material weaknesses in our internal controls over financial reporting could occur or be identified in the future. In addition, because of inherent limitations, our internal controls over financial reporting may not prevent or detect misstatements, and any projections of any evaluation of effectiveness of internal controls to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with our policies or procedures may deteriorate. If we fail to maintain the adequacy of our internal controls, including any failure or difficulty in implementing required new or improved controls, our business and results of operations could be harmed, we may not be able to provide reasonable assurance as to our financial results or meet our reporting obligations and there could be a material adverse effect on the price of our securities. (See "Appendix E Management's Discussion and Analysis of Global NV").

Vulnerability to Rising Energy Costs

Global NV's marijuana growing operations will consume considerable energy, making Global NV vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of Global NV and its ability to operate profitably.

Publicity or Consumer Perception

Global NV believes the recreational and medical marijuana industries are highly dependent upon consumer perception regarding the safety, efficacy and quality of the marijuana produced. Consumer perception of Global NV's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of marijuana products.

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the marijuana market generally, any particular product or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for Global NV's products and the business, results of operations, financial condition and Global NV's cash flows. Global NV's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on Global NV, the demand for Global NV's products, and the business, results of operations, financial condition and cash flows of Global NV. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of CBD in general, or Global NV's products specifically, or associating the consumption of CBD with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Difficulties with Forecasts

Global NV must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the recreational and medical marijuana industries in California. A failure in the demand for its products to materialize as a result of competition, technological change or other

factors could have a material adverse effect on the business, results of operations and financial condition of Global NV.

Risks Related to Farming Operations.

We are an agriculturally based business subject to draught, hail, pests, fungus, and other adverse growing conditions.

Global NV grows crops in open fields in Colorado subject to hail, draught and other weather conditions which could destroy its crops resulting in a catastrophic loss to Global NV. Global NV's crops are also subject to pests, disease and fungus which could render the crop useless resulting in a catastrophic loss to Global NV.

We are dependent upon irrigation to grow our crops.

Global NV must have water to irrigate its crops. If Global NV cannot secure sufficient water at a reasonable cost it may negatively impact production, harvest and ultimately the price of the Common Shares may decrease.

The value of the crops is dependent upon their genetic makeup.

Global NV is a hemp grower seeking a high content of CBD molecule from its crops. If the crops mutate or do not have the proper genetic makeup, they may be rendered unusable or contain a lower level of the CBD molecule making the crop less valuable.

The crops must be timely and appropriately planted, harvested and stored.

The crops must be properly and timely planted, harvested, cured, and stored to maintain their highest yield and value. If a crop is not timely planted, it may not have sufficient time or conditions to reach its optimal CBD production. If a crop is not timely or properly cured, it will lose essential components and market value. If the harvested crops are not stored under certain stable conditions their value can quickly deteriorate.

Global NV is regulated by the Colorado Department of Agriculture and must have a license to grow its crops.

Global NV must apply and be granted a license annually through the CDA currently, and potentially other agencies in the future. If Global NV fails certain audit requirements or is otherwise unable to obtain a license it will not be able to farm and grow product which will have a negative impact on profitability and the common share price.

Non-compliant plants may be introduced to our grow operation.

We grow in open fields without physical barriers to prevent malicious or accidental introduction of plants which may contain genetics producing non-compliant amounts of THC. If our crops contain more than .3% THC Global NV may be forced to destroy crops, be fined or subject to administrative penalties including the loss of our growing license.

Neighboring farms may introduce male or non-feminized plants impacting Global NV's crops and yield.

In order to control the CBD and THC production in the hemp plants Global NV must be able to maintain the genetics and an all feminized crop. If male plants are introduced to the crops there may be a reduction in CBD production and THC found in the plants may exceed the allowable limit causing the crops to be destroyed and also risk to Global NV's license to grow.

Risks Related to The Common Shares.

The offering price of our shares has been arbitrarily determined.

We have arbitrarily determined the offering price of our shares; it bears no relationship to our assets, net worth, book value, or potential business operations. It should not be taken to be an indication of the actual value of Global NV.

There may be future dilution of our Common Shares.

If we sell additional equity or convertible debt securities, those sales could result in additional dilution to our shareholders.

Risk relating to Retirement Plan Investors.

Any person who is a fiduciary of a retirement plan subject to Employee Retirement Income Security Act of 1974 ("ERISA") (a "Qualified Plan") who is considering investment in the Common Shares must assess whether or not

such an investment would constitute a prudent investment under the circumstances described in this Risk Factors section. Given the higher degree of risk involved in this investment, this investment may not be appropriate for Qualified Plans other than self-directed or Qualified Plans whose only participant is the fiduciary himself or herself. In addition, an investment in the Common Shares by any Qualified Plan that owns a membership interest in Global NV may be deemed to be a “prohibited transaction” pursuant to regulations promulgated under ERISA and the Internal Revenue Code.

Transfer Restrictions.

The Common Shares has not been registered under the federal or state securities laws, and subsequent sale or transfer of the Common Shares is restricted. You may not be able to liquidate your investment in the Common Shares in the event of any emergency or other circumstances. Therefore, you should consider an investment in the Common Shares to be a long-term investment.

Lack of Market Liquidity.

There is no organized public market for investments such as the Common Shares and it is not expected that any organized public market will develop in the future. Therefore, you should invest in the Common Shares only if you have the resources to assume the risks characteristic of this type investment and can afford to invest on a long-term basis.

No Independent Counsel

No independent counsel has been retained to represent the interests of the holders or purchasers of the Common Shares. The interests of the holders or purchasers of the Common Shares may be inconsistent in some respects with the interests of Global NV and its shareholders. Each potential investor is, therefore, urged to consult his or her own counsel as to the terms and provisions of the Common Shares and in all other related documents.

Securities Brokers

You may have difficulty selling shares of our common stock in the future. Many securities brokers will not sell securities which:

- are considered penny stocks
- trade in the over-the-counter market, or
- were issued by companies which are involved in the marijuana or hemp industry.

Further, for a securities broker which will, under certain circumstances sell securities which fall under any or all of the three (3) categories listed above, the customer, before the securities broker will accept the shares for deposit, must often complete a questionnaire detailing how the customer acquired the shares, provide the securities broker with an opinion of an attorney concerning the ability of the shares to be sold in the public market, and pay a “**legal review**” fee which in some cases can exceed \$1,000. For these reasons, investors in this offering, if and when a public market develops for our common stock, may have difficulty selling shares of our common stock if they convert their note or exercise their warrants in the future.

Market Price of Common Shares and Volatility

The Common Shares do not currently trade on any exchange or stock market. Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies’ financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. Factors unrelated to our performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow Global NV; lessening in trading volume and general market interest in the Common Shares may affect an investor’s ability to trade significant numbers of Common Shares; the size of our public float may limit the ability of some institutions to invest in Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert

management's attention and resources. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares.

The market price of the Common Shares is affected by many other variables which are not directly related to our success and are, therefore, not within our control. These include other developments that affect the breadth of the public market for the Common Shares, the release or expiration of lock-up, escrow or other transfer restrictions on the Common Shares, and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Common Share price volatile in the future, which may result in losses to investors.

No Established Market

There is currently no market through which Global NV's securities may be sold and purchasers may not be able to resell Global NV's securities. An active public market for the Common Shares might not develop or be sustained following the filing of this Prospectus. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited, and the Common Share price may decline below the shareholder's initial investment.

No Market for Warrants

There is currently no market through which Global NV's warrants may be sold and Global NV does not intend to list its warrants. There can be no assurance that an active or liquid market for Global NV's warrants will ever develop following the Offering, or if developed, that such market will be maintained.

It may be difficult, if not impossible, for U.S. holders of Global NV's common shares to resell them over the CSE or other stock exchange

It has recently come to management's attention that all major securities clearing firms in the United States have ceased participating in transactions related to securities of Canadian public companies involved in the medical marijuana industry. This appears to be due to the fact that cannabis continues to be listed as a controlled substance under U.S. federal law, with the result that cannabis-related practices or activities, including the cultivation, possession or distribution of cannabis, are illegal under U.S. federal law. Accordingly, U.S. residents who acquire Common Shares as "***restricted securities***" (including any Warrant Shares pursuant to the exercise of warrants) may find it difficult – if not impossible – to resell such shares over the facilities of any Canadian stock exchange on which the shares may then be listed. It remains unclear what impact, if any, this and any future actions among market participants in the United States will have on the ability of U.S. residents to resell any Common Shares that they may acquire in open market transactions. Our understanding is that all U.S. brokers must use a clearing service to facilitate resale transactions over Canadian securities exchanges. Some U.S. brokers have self-clearing capabilities; those that do not must use third party clearing firms. This issue does not apply to the Depositary Trust Company.

Dividends

We intend to retain earnings, if any, to finance the growth and development of our business and do not intend to pay cash dividends on the Common Shares in the foreseeable future. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Global NV is subject to uncertainty regarding legal and regulatory status and changes

Achievement of Global NV's business objectives is also contingent, in part, upon compliance with other regulatory requirements enacted by governmental authorities and obtaining other required regulatory approvals. The regulatory regime applicable to the cannabis business in the U.S. is currently undergoing significant changes and Global NV cannot predict the impact of the regime on its business once the structure of the regime is finalized. Similarly, Global NV cannot predict the timeline required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failing to obtain, required regulatory approvals may significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on the business, results of operations and financial condition of Global NV. Global NV will incur ongoing costs and obligations related to regulatory

compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on Global NV's operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to Global NV's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Global NV.

Global NV will be subject to additional regulatory burden resulting from its public listing on the CSE

Prior to the filing of this Prospectus, Global NV has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the CSE or other stock exchange. We are working with our legal, accounting and financial advisors to identify those areas in which changes should be made to our financial management control systems to manage our obligations as a public company. These areas include corporate governance, corporate controls, disclosure controls and procedures and financial reporting and accounting systems. We have made, and will continue to make, changes in these and other areas, including our internal controls over financial reporting. However, we cannot assure purchasers of Common Shares that these and other measures that we might take will be sufficient to allow us to satisfy our obligations as a public company on a timely basis. In addition, compliance with reporting and other requirements applicable to public companies will create additional costs for us and will require the time and attention of management. We cannot predict the amount of the additional costs that we might incur, the timing of such costs or the impact that management's attention to these matters will have on our business.

Dilution

Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute shareholders' voting power and reduce future potential earnings per Common Share. We intend to sell additional equity securities in subsequent offerings (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance our operations, development, exploration, acquisitions or other projects. We cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in our earnings per Common Share.

Transactions Engaged in by our Largest Shareholders, our Directors or Officers

As of the date of this Prospectus, our officers, directors and principal shareholders (greater than ten percent (10%) shareholders) collectively control approximately fifty-nine percent (59%) of Global NV. Subsequent sales of our Common Shares by these shareholders could have the effect of lowering the market price of our Common Shares. The perceived risk associated with the possible sale of a large number of Common Shares by these shareholders, or the adoption of significant short positions by hedge funds or other significant investors, could cause some of our shareholders to sell their Common Shares, thus causing the market price of our Common Shares to decline. In addition, actual or anticipated downward pressure on our stock price due to actual or anticipated sales of Common Shares by our directors or officers could cause other institutions or individuals to engage in short sales of the Common Shares, which may further cause the market price of our Common Shares to decline.

From time to time our directors and executive officers may sell Common Shares on the open market. These sales will be publicly disclosed in filings made with securities regulators. In the future, our directors and executive officers may sell a significant number of Common Shares for a variety of reasons unrelated to the performance of our business. Our shareholders may perceive these sales as a reflection on management's view of the business and result in some shareholders selling their Common Shares. These sales could cause the market price of our Common Shares to drop.

Risks Related to Regulatory Environment

Global NV operates in a new industry which is highly regulated, highly competitive and evolving rapidly. As such, new risks may emerge, and management may not be able to predict all such risks or be able to predict how such risks may result in actual results differing from the results contained in any forward-looking statements.

Global NV incurs ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions of operations. In

addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Global NV and, therefore, on Global NV's prospective returns. Further, Global NV may be subject to a variety of claims and lawsuits. Adverse outcomes in some or all of these claims may result in significant monetary damages or injunctive relief that could adversely affect our ability to conduct our business. The litigation and other claims are subject to inherent uncertainties and management's view of these matters may change in the future. A material adverse impact on our financial statements also could occur for the period in which the effect of an unfavorable final outcome becomes probable and reasonably estimable.

The industry is subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the control of Global NV and which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce Global NV's earnings and could make future capital investments or Global NV's operations uneconomic. The industry is also subject to numerous legal challenges, which may significantly affect the financial condition of market participants and which cannot be reliably predicted.

This Prospectus involves an entity that is expected to continue to derive a portion of its revenues from the Industrial Hemp industry in certain states of the United States, which industry is regulated under State and United States federal law.

While Global NV's business activities are compliant with applicable U.S. Federal, state and local law, such activities remain regulated under individual state laws as well. Global NV is involved in the Industrial Hemp industry in the U.S. where local and state laws differ as to such activities. Global NV will be directly engaged in the manufacture and possession of CBD marketplace in the U.S.

The enforcement of relevant laws is a significant risk.

Twenty-nine (29) of the states in the U.S. have enacted comprehensive legislation to regulate the sale and use of medical cannabis. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a Schedule 1 controlled substance under the Controlled Substances Act. As such, cannabis-related practices or activities, including without limitation, the cultivation, manufacture, importation, possession, use or distribution of cannabis, are illegal under U.S. federal law.

Despite the passage of the 2018 Farm Bill, Global NV's existing interests in the U.S. Industrial Hemp and CBD market may still become the subject of heightened scrutiny by regulators, stock exchanges, clearing agencies and other authorities in Canada. It has been reported by certain publications in Canada that the Canadian Depository for Securities Limited may implement policies that would see its subsidiary, CDS Clearing and Depository Services Inc. ("CDS"), refuse to settle trades for cannabis issuers that have cannabis-related operations and/or investments in the United States.

CDS is Canada's central securities depository, clearing and settlement hub settling trades in the Canadian equity, fixed income and money markets. The TMX Group, the owner and operator of CDS, subsequently issued a statement on August 17, 2017 reaffirming that there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States, despite media reports to the contrary and that the TMX Group was working with regulators to arrive at a solution that will clarify this matter, which would be communicated at a later time.

On February 8, 2018, following discussions with the CSA and recognized Canadian securities exchanges, the TMX Group announced the signing of a Memorandum of Understanding ("**TMX MOU**") with Aequis NEO Exchange Inc., the CSE, the Toronto Stock Exchange, and the TSX Venture Exchange. The TMX MOU outlines the parties' understanding of Canada's regulatory framework applicable to the rules, procedures, and regulatory oversight of the exchanges and CDS as it relates to issuers with cannabis-related activities in the United States. The TMX MOU confirms, with respect to the clearing of listed securities, that CDS relies on the exchanges to review the conduct of listed issuers. As a result, there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States. However, there can be no guarantee that this approach to regulation will continue in the future. If such a ban were to be implemented, it would have a material adverse effect on the ability of holders of Common Shares to make and settle trades. In particular, the Common Shares would become highly illiquid as until an

alternative was implemented, investors would have no ability to effect a trade of the Common Shares through the facilities of a stock exchange.

The impact of the 2018 Farm Bill and de-scheduling of CBD is yet to fully unfold. Global NV's activities and operations in the U.S. are, and will continue to be, subject to evolving regulation by governmental authorities. Global NV will be directly engaged in the Industrial Hemp industry in Colorado, where local state law permits such activities.

Additionally, there can be no assurance that state laws legalizing and regulating the sale and use of Industrial Hemp or CBD will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. It is also important to note that local and city ordinances may strictly limit and/or restrict the distribution of CBD in a manner that could make it extremely difficult or impossible to transact business in the industry. If existing federal or state laws are repealed or curtailed, Global NV's current and future operations along with any future investments in such businesses would be materially and adversely affected.

In light of the political and regulatory uncertainty surrounding the treatment of U.S. cannabis-related activities, including the rescission of the Cole Memorandum discussed above, on February 8, 2018 the CSA published a staff notice (Staff Notice 51-352) setting out the CSA's disclosure expectations for specific risks facing issuers with cannabis-related activities in the U.S. Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. cannabis-related activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry. Global NV views this staff notice favorably, as it provides increased transparency and greater certainty regarding the views of its exchange and its regulator of existing operations and strategic business plan as well as Global NV's ability to pursue future investment and opportunities in the U.S.

The concepts of "medical cannabis" and "retail cannabis" do not exist under U.S. federal law because the U.S. Controlled Substances Act classifies "marijuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the U.S., and a lack of accepted safety for the use of the drug under medical supervision. As such, cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of marijuana remain illegal under U.S. federal law. Although Global NV's Industrial Hemp activities are compliant with applicable U.S. federal, state and local law, strict compliance with state and local laws with respect to cannabis may neither absolve Global NV of liability under changing U.S. federal law, nor may it provide a defense to any federal proceeding which may be brought against Global NV. Any such proceedings brought against Global NV may adversely affect Global NV's operations and financial performance.

Violations of any U.S. federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the U.S. federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on Global NV, including its reputation and ability to conduct business, its holding (directly or indirectly) of cannabis licenses in the U.S., the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for Global NV to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

There is still uncertainty surrounding the Trump Administration and its influence and policies in opposition to the cannabis industry as a whole. Many factors could cause Global NV's actual results, performances and achievements to differ materially from those expressed or implied by the forward-looking statements and forward-looking statements, including without limitation, the following factors:

- Global NV operates in the Industrial Hemp sector in the U.S.; however marijuana remains federally illegal;
- The activities of Global NV are subject to evolving regulation that is subject to changes by governmental authorities in Canada and the U.S.;
- Third parties with which Global NV does business, including banks and other financial intermediaries, may perceive that they are exposed to legal and reputational risk because of Global NV's Industrial Hemp business activities;

- Global NV's ability to repatriate returns generated from investments in the U.S. may be limited by anti-money laundering laws;
- Under Section 280E of the *Internal Revenue Code*, normal business expenses incurred in the business of selling marijuana and its derivatives are not deductible in calculating income tax liability. Therefore, Global NV may be precluded from claiming certain deductions otherwise available to non-marijuana businesses if the IRS takes a position that Industrial Hemp still falls under the purview of Section 280E. As a result, an otherwise profitable business may in fact operate at a loss after taking into account its income tax expenses. There is no certainty that Global NV will not be subject to 280E in the future, and accordingly, there is no certainty that the impact that 280E has on Global NV's margins will ever be reduced;
- Federal prohibitions have traditionally resulted in marijuana businesses being potentially restricted from accessing the U.S. federal banking system, and Global NV and its subsidiaries may have difficulty depositing funds in federally insured and licensed banking institutions. This may lead to further related issues, such as the potential that a bank will freeze Global NV's accounts and risks associated with uninsured deposit accounts. There is no certainty that Global NV will be able to maintain its existing accounts or obtain new accounts in the future; and
- Although the TMX MOU confirms that there is currently no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States, there can be no guarantee that this approach to regulation will continue in the future.

Risks related to potential changes to determining foreign private issuer status in the United States

The transactions under the Merger Agreement were structured so that the Resulting Issuer would be a Foreign Private Issuer as defined in Rule 405 under the U.S. Securities Act and Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). The term Foreign Private Issuer is defined as any non-U.S. corporation, other than a foreign government, *except* any issuer meeting the following conditions:

- (a) more than fifty percent (50%) of the outstanding voting securities of such issuer are, directly or indirectly, held of record by residents of the United States; and
- (b) any one of the following:
 - (i) the majority of the executive officers or directors are United States citizens or residents, or
 - (ii) more than fifty percent (50%) of the assets of the issuer are located in the United States, or
 - (iii) the business of the issuer is administered principally in the United States.

A "**holder of record**" is defined by Rule 12g5-1 under the Exchange Act. Generally speaking, the holder identified on the record of security holders is considered as the holder of record.

In December 2016, the U.S. Securities and Exchange Commission ("**SEC**") issued a Compliance and Disclosure Interpretation to clarify that issuers with multiple classes of voting stock carrying different voting rights may, for the purposes of calculating compliance with this threshold, examine either (i) the combined voting power of its share classes, or (ii) the number of voting securities, in each case held of record by U.S. residents. Based on this interpretation, each preferred share is counted as one and each common share is counted as one for the purposes of determining the fifty percent (50%) U.S. resident threshold and the Resulting Issuer should be a "foreign private issuer" upon closing of the proposed Merger. The Resulting Issuer preferred share rights and preferences contain a limitation on conversion, which is designed to mitigation the risk that the Resulting Issuer will lose its "foreign private issuer" status.

Should the SEC's guidance and interpretation change, it is likely that the Resulting Issuer will lose its Foreign Private Issuer status.

Risks related to the Resulting Issuer loss of foreign private issuer status in the United States

The Resulting Issuer is expected to be a Foreign Private Issuer. If, as of the last business day of the Resulting Issuer's second fiscal quarter for any year, more than fifty percent (50%) of the Resulting Issuer's outstanding voting securities (as determined under Rule 405) are directly or indirectly held of record by residents of the United States, the Resulting Issuer will no longer meet the definition of a Foreign Private Issuer, which may have adverse consequences on the Resulting Issuer's ability to raise capital in private placements or Canadian prospectus offerings. In addition, the loss of the Resulting Issuer's Foreign Private Issuer status may likely result in increased reporting requirements and increased audit, legal and administration costs. These increased costs may significantly affect the Resulting Issuer's results of operations and profitability.

There are U.S. tax risks

It is anticipated that Section 7874(b) of the U.S. Internal Revenue Code ("**Code**") will apply to treat the Resulting Issuer as a U.S. domestic corporation for U.S. federal income tax purposes. If, as anticipated, Section 7874(b) were to apply, the Resulting Issuer would be subject to U.S. federal income tax as a U.S. domestic corporation on its worldwide income and any dividends paid by the Resulting Issuer to Non-U.S. holders may be subject to U.S. federal income tax withholding at a thirty percent (30%) rate or such lower rate as provided in an applicable treaty.

Moreover, because the Resulting Issuer Shares will be treated as shares of a U.S. domestic corporation, the U.S. gift, estate and generation-skipping transfer tax rules generally apply to a "**Non-U.S. Holder**" of Resulting Issuer Shares.

The transactions contemplated herein may result in an "ownership change" of Resulting Issuer within the meaning of the United States federal income tax laws addressing net operating loss carry-forwards, alternative minimum tax credits and other similar tax attributes. If an ownership change occurs, there will be specific limitations on the ability to use net operating loss carry-forwards and other tax attributes from periods prior to the proposed Merger. It is possible that such limitations could limit Resulting Issuer's ability to utilize such tax attributes and, therefore, result in an increase in Resulting Issuer's United States federal income tax liability. In addition, it is possible that all or a portion of Resulting Issuer's net operating loss carry-forwards may expire before they can be utilized.

Prospective investors should discuss the tax consequences of acquiring, holding and disposing of Resulting Issuer Shares with their own tax advisors.

Potential Adverse Tax Consequences from the Payment of Dividends on the Resulting Issuer Shares

The Resulting Issuer does not contemplate paying any dividends on the Resulting Issuer Shares in the foreseeable future. However, dividends received by shareholders who are residents of Canada for purpose of the ITA will be subject to U.S. withholding tax. Any such dividends may not qualify for a reduced rate of withholding tax under the Canada-United States Tax Convention. In addition, a foreign tax credit or a deduction in respect of foreign taxes may not be available.

Dividends received by U.S. shareholders will not be subject to U.S. withholding tax but will be subject to Canadian withholding tax. After giving effect to the proposed Merger, it is anticipated that the Resulting Issuer will be considered to be a U.S. corporation for U.S. federal income tax purposes. As such, dividends paid by the Resulting Issuer will be characterized as U.S. source income for purposes of the foreign tax credit rules under the Code. Accordingly, U.S. shareholders generally would not be able to claim a credit for any Canadian tax withheld unless, depending on the circumstances, they have excess foreign tax credit limitation due to other foreign source income that is subject to a low or zero rate of foreign tax.

Dividends received by shareholders that are neither Canadian nor U.S. shareholders will be subject to U.S. withholding tax and would also be subject to Canadian withholding tax. These dividends may not qualify for a reduced rate of U.S. withholding tax under any income tax treaty otherwise applicable to a shareholder of the Resulting Issuer, subject to examination of the relevant treaty.

International Regulatory Risks

Global NV's operations the U.S. cannabis market may become the subject of heightened scrutiny

Global NV's operations in the U.S. cannabis market may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, Global NV may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on Global NV's ability to invest in and/or operate in the U.S. or any other jurisdiction.

U.S. border officials could deny entry into the U.S. to management, employees and/or investors in companies with cannabis operations in the U.S.

Because cannabis remains illegal under U.S. federal law, those employed at or investing in legal and licensed Canadian cannabis companies could face detention, denial of entry or lifetime bans from the U.S. for their business associations with U.S. cannabis businesses. Entry happens at the sole discretion of the U.S. Customs and Border Protection officers on duty, and these officers have wide latitude to ask questions to determine the admissibility of a foreign national. The government of Canada has started warning travelers on its website that previous use of cannabis, or any substance prohibited by U.S. federal laws, could mean denial of entry to the U.S. Business or financial involvement in the legal cannabis industry in Canada or in the U.S. could also be reason enough for U.S. border guards to deny entry.

Global NV's Operations and potential investments in the United States are subject to applicable anti-money laundering laws and regulations

Global NV is subject to a variety of laws and regulations domestically and in the U.S. that involve money laundering, financial recordkeeping and proceeds of crime, including the U.S. *Currency and Foreign Transactions Reporting Act* of 1970 (commonly known as the "**Bank Secrecy Act**"), as amended by Title III of the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* of 2001 ("**USA PATRIOT Act**"), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*, as amended and the rules and regulations thereunder, and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the U.S. and Canada. Further, under U.S. federal law, banks or other financial institutions that provide a cannabis business with a checking account, debit or credit card, small business loan, or any other service could be found guilty of money laundering, aiding and abetting, or conspiracy.

Despite these laws, the FinCEN Memorandum states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. It refers to supplementary guidance that Deputy Attorney General Cole issued in the 2014 Cole Memo. The 2014 Cole Memo has been rescinded as of January 4, 2018, along with the Cole Memorandum, removing guidance that enforcement of applicable financial crimes was not a DOJ priority.

Former Attorney General Sessions' revocation of the Cole Memorandum and the 2014 Cole Memo has not affected the status of the FinCEN Memorandum, nor has the Department of the Treasury given any indication that it intends to rescind the FinCEN Memorandum itself. Though it was originally intended for the 2014 Cole Memo and the FinCEN Memorandum to work in tandem, the FinCEN Memorandum appears to remain in effect as a standalone document which explicitly lists the eight enforcement priorities originally cited in the rescinded Cole Memorandum.

Although the FinCEN Memorandum remains intact, indicating that the Department of the Treasury and FinCEN intend to continue abiding by its guidance, it is unclear whether the current administration will continue to follow the guidelines of the FinCEN Memorandum.

Global NV's operations, and any proceeds thereof, are considered proceeds of crime due to the fact that cannabis remains illegal federally in the U.S. This restricts the ability of Global NV to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada. Furthermore, while Global NV has no current intention to declare or pay dividends on its shares in the foreseeable future, Global NV may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period.

Global NV's Operations and potential investments in the United States may be subject to heightened scrutiny by Canadian authorities

For the reasons set forth above, Global NV's existing operations in the U.S., and any potential future investments, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, Global NV may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on Global NV's ability to operate and invest in the U.S. or any other jurisdiction, in addition to those described herein.

Although the TMX MOU has confirmed that there is currently no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States, there can be no guarantee that this approach to regulation will continue in the future. If such a ban were to be implemented, it would have a material adverse effect on the ability of holders of Common Shares to make and settle trades. In particular, the Common Shares would become highly illiquid as until an alternative was implemented, investors would have no ability to effect a trade of the Common Shares through the facilities of a stock exchange.

Government policy changes or public opinion may also result in a significant influence over the regulation of the cannabis industry in the U.S. or elsewhere. A negative shift in the public's perception of cannabis in the U.S. or any other applicable jurisdiction could affect future legislation or regulation. Among other things, such a shift could cause state jurisdictions to abandon initiatives or proposals to legalize cannabis, thereby limiting the number of new state jurisdictions into which Global NV could expand, should it decide to do so. Global NV's inability to expand its operations into other jurisdictions may have a material adverse effect on Global NV's business, financial condition and results of operations.

Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the *Access to Cannabis for Medical Purposes Regulations*, investors are cautioned that in the U.S., cannabis is largely regulated at the state level. Notwithstanding the permissive regulatory environment of medical and recreational cannabis at the state level in certain states, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the U.S. and as such, may be in violation of federal law in the U.S.

As previously stated, the United States Congress has passed the Leahy Amendment each of the last four years to prevent the federal government from using congressionally appropriated funds to enforce federal marijuana laws against regulated medical marijuana actors operating in compliance with state and local law. The 2018 *Consolidated Appropriations Act* was passed by Congress on March 23, 2018 and included the re-authorization of the Leahy Amendment. It will continue in effect until September 30, 2018, the last day of fiscal year 2018.

American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those individuals comply with state medical cannabis laws. However, because this conduct continues to violate federal law, American courts have observed that should Congress at any time choose to appropriate funds to fully prosecute the Controlled Substances Act, any individual or business — even those that have fully complied with state law — could be prosecuted for violations of federal law. If Congress restores funding, for example by declining to include the Leahy Amendment in the 2019 budget resolution, or by failing to pass necessary budget legislation and causing another government shutdown, the federal government will have the authority to prosecute individuals for violations of the law before it lacked funding under the five-year statute of limitations applicable to non-capital Controlled Substances Act violations. Additionally, it is important to note that the appropriations protections only apply to medical cannabis operations and provide no protection against businesses operating in compliance with a state's recreational cannabis laws.

As previously stated, violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on Global NV, including its reputation and ability to conduct business, its holding (directly or indirectly) of cannabis licenses in the U.S., the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for Global NV to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

The approach to the enforcement of cannabis laws may be subject to change or may not proceed as previously outlined.

Change in Laws, Regulations and Guidelines

Global NV's operations are subject to a variety of laws, regulations and guidelines, including, but not limited to, those relating to the manufacture, management, transportation, storage and disposal of cannabis, as well as laws and regulations relating to health and safety (including those for consumable products), the conduct of operations and the protection of the environment. These laws and regulations are broad in scope and subject to evolving interpretations. If any changes to such laws, regulations and guidelines occur, which are matters beyond the control of Global NV, Global NV may incur significant costs in complying with such changes or it may be unable to comply therewith, which in turn may result in a material adverse effect on Global NV's business, financial condition and results of operation. In addition, violations of these laws, or allegations of such violations, could disrupt certain aspects of Global NV's business plan and result in a material adverse effect on certain aspects of its planned operations.

Changes in regulations, more vigorous enforcement thereof, the imposition of restrictions on Global NV's ability to operate in the U.S. as a result of the federally illegal nature of cannabis in the U.S. or other unanticipated events could require extensive changes to Global NV's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Global NV.

PROMOTERS OF GLOBAL NV

Brad Wyatt and Glenn Dooley may be considered to be Promoters of Global NV and the Resulting Issuer for the purposes of applicable securities laws, as Messrs. Wyatt and Dooley have taken the initiative in reorganizing, combining operating entities and seeking financing for Global NV. Mr. Wyatt owns 2,267,248 (21.27%) Common Shares and Mr. Dooley owns 2,250,124 (21.11%) Common Shares, as of the date of this Prospectus. Mr. Wyatt is the CEO and is a current director and Mr. Dooley is the COO and is a current director of Global NV. See "*Part Two – Global NV - Directors and Officers*", "*Part Two – Global NV - Principal Shareholders*", "*Part Two – Global NV - Consolidated Capitalization*", and "*Part Two – Global NV - Prior Sales*".

Messrs. Wyatt and Dooley have not received anything of value from Global NV and has no entitlement to receive anything of value except as set forth in this Prospectus.

See "*Executive Compensation*", "*Principal Shareholders*", "*Directors and Officers*", "*Interests of Management and Others in Material Transactions*", and "*Material Agreements*" in "*Part Two – Global NV*" and "*Part Three – The Resulting Issuer*" of this Prospectus for additional disclosure concerning the promoter.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS AGAINST GLOBAL NV

There are no legal proceedings material to Global NV to which Global NV is a party or of which any of its property is the subject matter, and there are no such proceedings known to Global NV to be contemplated.

INTEREST OF GLOBAL NV'S MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS WITH GLOBAL NV

Except as described in this Prospectus, no insider of Global NV or associate or affiliate of an Insider of Global NV has or has had any material interest, direct or indirect, in any transaction within the three years before the date of this Prospectus that has materially affected or is reasonably expected to materially affect Global NV.

AUDITORS, TRANSFER AGENT AND REGISTRAR OF GLOBAL NV

Auditors

Global NV's auditor is Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, 1500 – 1140 W. Pender Street, Vancouver, BC, Canada V6E 4G1

Transfer Agent and Registrar

The transfer agent and registrar for Global NV's Common Shares is Capital Transfer Agency at its principal office in Toronto, Ontario.

MATERIAL AGREEMENTS

Material Agreements of Global NV, not including those entered into in the ordinary course of business, within two (2) years prior to the date of this Prospectus include:

- 1) the Acquisition Agreement;
- 2) the Merger Agreement;
- 3) the Share Exchange Agreement;
- 4) the Employment Agreements of Mr. Wyatt, Mr. Dooley, and Mr. Darnell;
- 5) the land lease for Lot A;
- 6) the Shares for Services Agreement of Brett Nesland;
- 7) the Services Agreement between Global NV and TargetPath, LLC;
- 8) the Global NV Notes;
- 9) the Modification Agreement; and
- 10) the lease for Facility C.

Copies of the Material Agreements may be inspected, upon request, at Global NV's head office during regular business hours for a period of thirty (30) days after a final receipt is issued for this Prospectus and are also available electronically at www.sedar.com.

EXPERTS

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- Dale Matheson Carr-Hilton Labonte, LLP, Chartered Professional Accountants, is the auditor of Global NV and reported on the Global NV Audited Annual Financial Statements for years ended December 31, 2017 and 2016, and Global NV unaudited Interim Financial Statements for the period ending September 30, 2018.

To the knowledge of management, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the property of Global NV or of an associate or affiliate of any of them, and, as of the date hereof, each expert, or any associate or affiliate of such person, as a group, beneficially owns, directly or indirectly, less than one percent (1%) of the outstanding securities of Global NV and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of Global NV or of an associate or affiliate thereof.

OTHER MATERIAL FACTS

There are no other material facts about Global NV which are not otherwise disclosed in this Prospectus.

FINANCIAL STATEMENTS AND MD&A

The following financial statements are attached as **Appendix D** to this Prospectus:

- Global NV 2016/2017/2018 Audited Annual Financial Statements.

The following management's discussion and analysis are attached as **Appendix E** to this Prospectus:

- Global NV 2016/2017/2018 Annual MD&A.

PART THREE – THE RESULTING ISSUER

THE RESULTING ISSUER (POST-MERGER) - OVERVIEW

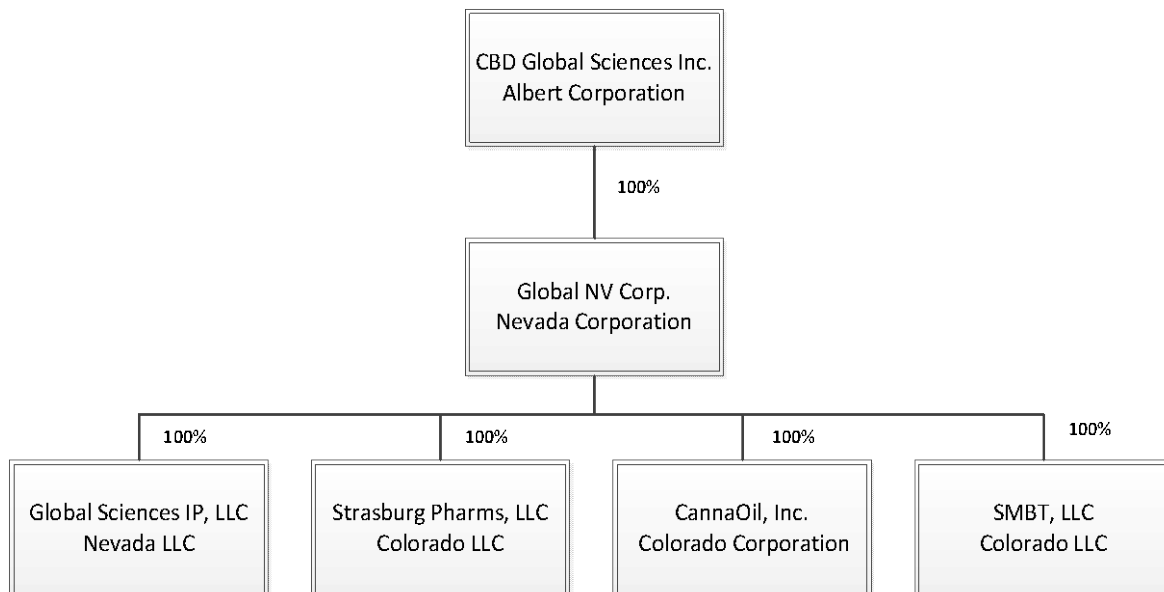
On completion of the proposed Merger, the former Global NV Shareholders will own approximately ninety-five (95%) of the Resulting Issuer and the former CBD Global shareholders will own approximately five percent (5%) of the Resulting Issuer, Mergeco (to continue with the name “**Global NV Corp.**”), the combined company resulting from the proposed Merger between Global NV and Subco, will be a wholly-owned subsidiary of the Resulting Issuer. See the diagram under “*Corporate Structure of the Resulting Issuer and Subsidiaries*” below.

Following the proposed Merger, the Resulting Issuer will seek to be a reporting issuer in the Provinces of Alberta, Saskatchewan and British Columbia. CBD Global intends to apply for a listing of its Common Shares on the CSE; however, as of the date of this Prospectus, the Company has not applied for nor received conditional approval from the CSE for such a Listing.

The business and operations of the Resulting Issuer will be supervised by a reconstituted board of directors and a reconstituted management team, as discussed below under “*Directors, Executive Officers and Principal Shareholders of the Resulting Issuer*”.

CORPORATE STRUCTURE OF THE RESULTING ISSUER AND SUBSIDIARIES

The following chart shows the corporate relationship of the Resulting Issuer and its subsidiary, Mergeco, as well as its US subsidiaries, and the governing jurisdiction of each such entity, immediately following completion of the proposed Merger.



DESCRIPTION OF THE BUSINESS OF THE RESULTING ISSUER

Following the proposed Merger, the Resulting Issuer will, through the operations of Mergeco, be indirectly engaged in the business of “*Seed-to-Sale*” Industrial Hemp cultivation, and the resulting conversion to and manufacturing of CBD infused products, which has been the primary activity of Global NV since its incorporation. The Resulting Issuer will continue to own all the properties, assets and rights and will be liable for all the liabilities and obligations of CBD Global as constituted immediately prior to the Effective Time.

In addition, the Resulting Issuer will, through Mergeco, indirectly own all of the properties, assets and rights of Global NV and Mergeco will be liable for all of the liabilities and obligations of Global NV outstanding immediately prior to the Effective Time. Through Mergeco and Global NV, the Resulting Issuer will continue to carry on Global NV's business. See Part Two under "*Description of Business of Global NV*" for a more detailed discussion of the business of Global NV.

Capital

CBD Global had net working capital of approximately \$144,831 as of February 28, 2019. Global NV had working capital of \$586,905 as of December 31, 2018. Accordingly, as at February 28, 2019, the Resulting Issuer had working capital (after deducting the estimated costs of the proposed Merger (including the estimated costs of this Prospectus of \$50,000 but before deducting ongoing operating expenses of Global NV) of approximately \$681,736. In March 2019, holders of Global NV Notes in the principal amount of \$175,000 exercised their option to convert their Global NV Notes into shares of Global NV Common Stock and the maturity date of the Global NV Notes in the principal amount of \$3,275,000 was extended to October 2, 2020. Noteholders holding Global NV Notes in the principal amount of \$150,000 neither exercised their option to convert their Global NV Notes to Global NV Common Stock or extend the maturity date resulting in these Global NV Notes retaining their original maturity of October 2, 2019.⁵⁸ Additionally, three promissory notes totaling \$588,198 were extended to mature in December 2020 and March 2021. These transactions increased the working capital of Global NV by \$3,021,963 to \$3,770,805.

As of December 31, 2018, Global NV had a cash balance of \$320,331 compared to \$4,286 at the prior year-end of December 31, 2017. The increase in cash was a result of the closing of convertible debt and advances toward convertible debt of private placement financings producing gross proceeds of \$3,216,750. As of December 31, 2018, Global NV had other current assets of \$4,235,240. Current liabilities of Global NV as at the year ended December 31, 2018 were \$3,968,666, compared to \$600,349 at the prior year-end of December 31, 2017, as a result of advances from the convertible debt offering of \$3,600,000.

Objectives and Estimated Expenditures of the Resulting Issuer in 2019 and 2020

In 2019, it is expected that the Resulting Issuer will pursue the development of Global NV's business. Assuming that the Reverse Take-Over is completed, it is expected that the Resulting Issuer's monthly expenses will be approximately \$76,674 per month as described in the table set out below. Accordingly, over the twelve-month period from June 1, 2019 to May 31, 2020, the Company expected to expend an aggregate of approximately \$920,088 and over the 18-month period from June 1, 2019 to November 30, 2020, the Company expected to expend an aggregate of approximately \$1,380,132.

Principal Purposes for the eighteen months from June 1, 2019 to November 30, 2020	Amount (\$)
General, Administrative & Travel Expenses	9,360
Accounting and Audit	1,706
Media & Communications	4,973
Management & Consulting	55,500
Patent, Trademark Legal & Application Fees	0
Reporting issuer compliance expenses	5,135
Total Monthly Expenditures:	76,674
Total Eighteen (18) Month Expenditures	1,380,132

The Resulting Issuer may be required to access the capital markets from time to time in order to pursue its programs and objectives stated above.

⁵⁸ Of the \$3,600,000 in Global NV Notes \$175,000 were converted to Global NV Common Stock, \$3,275,000 were modified and extended to mature October 2, 2020, and the remaining \$150,000 remain un-modified and mature October 2, 2019.

CAPITALIZATION OF THE RESULTING ISSUER

Authorized Share Capital

Following completion of the proposed Merger, the authorized capital of the Resulting Issuer will consist of an unlimited number of Common Shares, sometimes referred to herein as Resulting Issuer Shares, and up to 500,000 Preferred Shares.

Issued Share Capital of the Resulting Issuer

The total number of the Resulting Issuer Common Shares to be issued and outstanding immediately following the Closing Date is expected to be approximately 13,277,977 Common Shares. Former Global NV shareholders are expected to hold 10,777,977 Common Shares and 375,062 Series A Preferred Shares representing approximately ninety-five percent (81.17%) of such Common Shares and former CBD Global Shareholders are expected to hold 2,500,000 Common Shares representing approximately five percent (18.83%) of such Resulting Issuer Common Shares. The chart below sets forth the origin of the Resulting Issuer shareholdings:

Origin of the Resulting Issuer Shareholding	Number of the Resulting Issuer Securities (undiluted)	Percentage of the Resulting Issuer Securities (undiluted) ⁽¹⁾	Number of the Resulting Issuer Common Shares (fully diluted)	Percentage of the Resulting Issuer Common Shares (fully diluted) ⁽¹⁾
Current Global NV Shareholders	10,777,977 Common Shares 375,062 Series A Preferred Shares	81.17% Common Shares 100% Series A Preferred Shares	53,889,885 ⁽²⁾ Common Shares	59.94%
Current CBD Global Shareholders	2,500,000 Common Shares	18.83% Common Shares	2,500,000 Common Shares	2.78%
Global NV Noteholders	Nil	0%	17,125,000 ⁽⁴⁾ Common Shares	19.05%
Global NV Warrantholders	Nil	0%	16,389,385 ⁽³⁾ Common Shares	18.23%
Stock Option Plan	Nil	0%	Nil	0%
Total	13,277,977 Common Shares 375,062 Series A Preferred Shares	100% Common Shares 100% Series A Preferred Shares	89,904,270 Common Shares	100%

Notes:

- (1) Figures have been rounded.
- (2) Assumes full conversion of the Series A Preferred Shares into Common Shares (100 to 1).
- (3) Assumes full exercise of the Global NV Warrants into Common Shares.
- (4) Assumes full conversion of the Global NV Notes into Common Shares. Does not include any additional Global NV Notes to be issued pursuant to the Modification Agreement.

The Resulting Issuer Stock Option Plan and Options

Immediately following the Effective Time, it is anticipated that there will be no Resulting Issuer Shares issuable upon the exercise of stock options. Options on Resulting Issuer Shares will be issuable pursuant to the terms of the CBD Global Stock Option Plan. See “*Stock option plans and other incentive plans*” in Part One hereof.

The terms of options on Resulting Issuer Shares that will be issued and outstanding immediately following the Effective Time are set out below.

Origin of the Resulting Issuer Options	Number of Shares Issuable on Exercise of the Resulting Issuer Options Exercise Price of the Resulting Issuer Options	Exercise Price of the Resulting Issuer Options	Expiry Date of the Resulting Issuer Options
CBD Global Stock Option Plan	Nil	Nil	Nil

The Resulting Issuer Board may grant options on closing of the proposed Merger and from time to time thereafter in accordance with CBD Global's Stock Option Plan, as amended from time to time, and applicable securities regulatory and Exchange requirements.

Take-Over Bid Protection

Under applicable Canadian law, an offer to purchase Series A Preferred Shares would not necessarily require that an offer be made to purchase Resulting Issuer Shares. In accordance with the rules applicable to most senior issuers in Canada, in the event of a take-over bid, the holders of Resulting Issuer Shares will be entitled to participate on an equal footing with holders of Series A Preferred Shares. The Principals will enter into a customary coattail agreement with the Company and a trustee ("***Coattail Agreement***"). The Coattail Agreement will contain provisions customary for dual class, listed corporations designed to prevent transactions that otherwise would deprive the holders of Resulting Issuer Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Series A Preferred Shares had been Resulting Issuer Shares.

The undertakings in the Coattail Agreement will not apply to prevent a sale by any Principal of Series A Preferred Shares if concurrently an offer is made to purchase Resulting Issuer Shares that:

- (i) offers a price per Resulting Issuer Share at least as high as the highest price per share paid pursuant to the take-over bid for the Series A Preferred Shares;
- (ii) provides that the percentage of outstanding Resulting Issuer Shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Series A Preferred Shares to be sold (exclusive of Series A Preferred Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);
- (iii) has no condition attached other than the right not to take up and pay for Resulting Issuer Shares tendered if no shares are purchased pursuant to the offer for Series A Preferred Shares; and
- (iv) is in all other material respects identical to the offer for Series A Preferred Shares.

In addition, the Coattail Agreement will not prevent the transfer of Series A Preferred Shares by a Principal to a Permitted Holder (as defined below).

Under the Coattail Agreement, any disposition of Series A Preferred Shares (including a transfer to a pledgee as security) by a holder of Series A Preferred Shares party to the agreement will be conditional upon the transferee or pledgee becoming a party to the Coattail Agreement. The Coattail Agreement will contain provisions for authorizing action by the trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the Resulting Issuer Shares or of the Series A Preferred Shares. The obligation of the trustee to take such action will be conditional on the Company or holders of the Resulting Issuer Shares or of the Series A Preferred Shares, as the case may be, providing such funds and indemnity as the trustee may require. No holder of Resulting Issuer Shares or of Series A Preferred Shares, as the case may be, will have the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coattail Agreement unless the trustee fails to act on a request authorized by holders of not less than ten percent (10%) of the outstanding Resulting Issuer Shares or of Series A Preferred Shares, as the case may be, and reasonable funds and indemnity have been provided to the trustee. The Resulting Issuer will agree to pay the reasonable costs of any action that may be taken in good faith by holders of Resulting Issuer Shares or of Series A Preferred Shares, as the case may be, pursuant to the Coattail Agreement.

The Coattail Agreement will provide that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of any applicable securities regulatory authority in Canada and (b) the approval of at least 66-2/3% of the votes cast by holders of Resulting Issuer Shares and 66-2/3% of the votes cast by holders of Series A Preferred Shares excluding votes attached to Resulting Issuer Shares and to Series A Preferred Shares, if any, held by the Principal Shareholders, their affiliates and any persons who have an agreement to purchase Resulting Issuer Shares on terms which would constitute a sale or disposition for purposes of the Coattail Agreement other than as permitted thereby.

No provision of the Coattail Agreement will limit the rights of any holders of Resulting Issuer Shares or of Series A Preferred Shares under applicable law.

Resulting Issuer Shares (Common Shares of the Company)

Voting Rights. Holders of the Resulting Issuer Shares are entitled to notice of and to attend any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company shall have the right to vote. At each such meeting holders of Resulting Issuer Shares shall be entitled to one vote in respect of each Resulting Issuer Share held.

Alteration to Rights of Resulting Issuer Shares. As long as any Resulting Issuer Shares remain outstanding, the Company may not, without the consent of the holders of the Resulting Issuer Shares by separate special resolution, prejudice or interfere with any right or special right attached to the Resulting Issuer Shares.

Dividends. Holders of Resulting Issuer Shares are entitled to receive as and when declared by the directors, dividends in cash or property of the Company. No dividend will be declared or paid on the Resulting Issuer Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Resulting Issuer Share basis) on the Series A Preferred Shares.

Liquidation, Dissolution or Winding-Up. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Resulting Issuer Shares are, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Resulting Issuer Shares, entitled to participate ratably along with all other holders of Series A Preferred Shares (on an as-converted to Resulting Issuer Share basis) and Resulting Issuer Shares.

Rights to Subscribe; Pre-Emptive Rights. Holders of Resulting Issuer Shares are not entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Resulting Issuer Shares, or bonds, debentures or other securities of the Company now or in the future.

Subdivision or Consolidation. No subdivision or consolidation of the Resulting Issuer Shares or Series A Preferred Shares shall occur unless, simultaneously, the Resulting Issuer Shares and Series A Preferred Shares are subdivided or consolidated in the same manner or such other adjustment is made so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

Series A Preferred Shares

Voting Rights. Holders of Series A Preferred Shares are entitled to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company have the right to vote. At each such meeting, holders of Series A Preferred Shares are entitled to one vote in respect of each Resulting Issuer Share into which such Preferred Share could ultimately then be converted (initially, 100 votes per Preferred Share).

Alteration to Rights of Series A Preferred Shares. As long as any Series A Preferred Shares remain outstanding, the Company may not, without the consent of the holders of the Series A Preferred Shares by separate special resolution, prejudice or interfere with any right or special right attached to the Series A Preferred Shares. In connection with the exercise of the voting rights relating to any proposed alteration of rights, each holder of Series A Preferred Shares has one vote in respect of each Preferred Share held.

Dividends. Holders of Series A Preferred Shares have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as converted basis, assuming conversion of all Series A Preferred Shares into Resulting Issuer Shares at the Conversion Ratio) as to dividends and any declaration or payment of any dividend on the Resulting Issuer Shares. No dividend may be declared or paid on the Series A Preferred Shares unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Resulting Issuer Share basis) on the Resulting Issuer Shares.

Liquidation, Dissolution or Winding-Up. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, holders of Series A Preferred Shares, subject to the prior rights of the holders of any shares of the Company ranking in priority to the Series A Preferred Shares, are entitled to participate ratably along with all other holders of Series A Preferred Shares (on an as-converted to Resulting Issuer Share basis) and Resulting Issuer Shares.

Rights to Subscribe; Pre-Emptive Rights. Holders of Series A Preferred Shares are not entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of Resulting Issuer Shares, or bonds, debentures or other securities of the Company now or in the future.

Conversion. Subject to the Conversion Restrictions described below, holders of Series A Preferred Shares have the following conversion rights ("**Conversion Rights**"):

- (i) **Right to Convert.** Each Preferred Share is convertible, at the option of the holder thereof, at any time after the date of issuance of such share, into such number of fully paid and non-assessable Resulting Issuer Shares as is determined by multiplying the number of Series A Preferred Shares by the Conversion Ratio applicable to such share in effect on the date the Preferred Share is surrendered for conversion. The initial "**Conversion Ratio**" for Series A Preferred Shares is 100 Resulting Issuer Shares for each Preferred Share, subject to adjustment in certain events.
- (ii) **Conversion Limitations.** The Company is to use commercially reasonable efforts to maintain its status as a "**foreign private issuer**" (as determined in accordance with Rule 3b-4 under the Exchange Act. Accordingly, the Company shall not affect any conversion of Series A Preferred Shares, and holders of Series A Preferred Shares may not convert any portion of the Series A Preferred Shares to the extent that after giving effect to all permitted issuances after such conversions of Series A Preferred Shares, the aggregate number of Resulting Issuer Shares, Super Voting Shares and Series A Preferred Shares held of record, directly or indirectly, by U.S. Residents would exceed forty percent (40%) ("**40% Threshold**") of the aggregate number of Resulting Issuer Shares, Super Voting Shares and Series A Preferred Shares issued and outstanding after giving effect to such conversions ("**FPI Protective Restriction**"); provided the Board may, by resolution, increase the forty percent (40%) Threshold to an amount not to exceed fifty percent (50%).
- (iii) **Mandatory Conversion.** The Company may require each holder of Series A Preferred Shares to convert all, and not less than all, the Series A Preferred Shares at the applicable Conversion Ratio if at any time all the following conditions are satisfied (or otherwise waived by special resolution of holders of Series A Preferred Shares):
 - (A) the Resulting Issuer Shares issuable upon conversion of all the Series A Preferred Shares are registered for resale and may be sold by the holder thereof pursuant to an effective registration statement and/or Prospectus covering the Resulting Issuer Shares under the United States Securities Act of 1933, as amended;
 - (B) the Company is subject to the reporting requirements of Section 13 or 15(d) of the United States Exchange Act of 1934, as amended; and
 - (C) the Resulting Issuer Shares are listed or quoted (and are not suspended from trading) on a recognized North American stock exchange or by way of reverse takeover transaction on the

Toronto Stock Exchange, the TSX Venture Exchange, the CSE or Aequitas NEO Exchange (or any other stock exchange recognized as such by the Ontario Securities Commission).

- (iv) **Anti-Dilution.** The Series A Preferred Shares are subject to standard anti-dilution adjustments in the event the Company declares a distribution to holders of Resulting Issuer Shares, effects a recapitalization of the Resulting Issuer Shares, issues Resulting Issuer Shares as a dividend or other distribution on outstanding Resulting Issuer Shares, or subdivides or consolidates the outstanding Resulting Issuer Shares.
- (v) **No Fractional Shares and Certificate as to Adjustments.** No fractional Resulting Issuer Shares shall be issued upon the conversion of any share or shares of Series A Preferred Shares and the number of Resulting Issuer Shares to be issued shall be rounded up to the nearest whole Resulting Issuer Share.

DIVIDEND POLICY

As at the Effective Time, there will be no restrictions in CBD Global's Articles or elsewhere which would prevent the Resulting Issuer from paying dividends following the completion of the proposed Merger. All the Resulting Issuer Shares will be entitled to an equal share in any dividends declared and paid on such common shares. However, it is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business and, accordingly, it is not contemplated that any dividends will be paid on the Resulting Issuer shares in the immediate or foreseeable future. The Board of Directors of the Resulting Issuer will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time.

DIRECTORS, EXECUTIVE OFFICERS AND PRINCIPAL SHAREHOLDERS OF THE RESULTING ISSUER

Pursuant to the Merger Agreement, the Resulting Issuer Board is anticipated to consist of nominees approved by Global NV. Their names and principal occupations are set forth in the chart below.

Directors

Upon completion of the proposed Merger, the Articles of the Resulting Issuer will be the Articles of CBD Global which require a minimum of three (3) and a maximum of eleven (11) directors. At a meeting of the directors of the Resulting Issuer on the Effective Date, it is proposed that two (2) directors of CBD Global in office at the Effective Time will resign in sequence and be replaced by two (2) directors designated by Global NV who will hold office until the next annual meeting of the Resulting Issuer shareholders or until the directors' respective successors are duly elected or appointed. In addition, it is proposed that the CBD Global board will be increased to four (4) directors by Global NV appointing the fourth nominee to fill that vacancy, as described below.

The following table sets out the name, province and country of residence, position or office proposed to be held in the Resulting Issuer, the principal occupation during the past five (5) years and the anticipated holdings of the Resulting Issuer Shares immediately following the Effective Time of each proposed director and officer of the Resulting Issuer.

Name and Municipality of Residence	Proposed Office or Position with the Resulting Issuer	Principal Occupation During the Past Five Years⁽¹⁾	Anticipated Number of the Resulting Issuer Securities to be Beneficially Owned, Directly or Indirectly, or Over Which Control and Direction are Exercised
Brad Wyatt <i>Castle Pines, Colorado</i>	President, Chief Executive Officer and Director	Director and CEO of Global NV (or its subsidiaries) since September 2014; prior thereto President of MAC 5 Mortgage, Inc. (a mortgage lending brokerage)	2,267,248 Common Shares 84,157 Series A Preferred Shares
Glenn Dooley <i>Parker, Colorado</i>	Chief Operating Officer and Director	Vice President and Managing Broker of MAC 5 Mortgage, Inc.	2,250,124 Common Shares 84,787 Series A Preferred Shares
Albert Taylor <i>Highlands Ranch, Colorado</i>	Chief Financial Officer	Finance Mgr., Ardent Mills 2017-2018; Controller/ISO Auditor, Global Technologies Resources 2013-2016; Accounting Mgr., Commodity Specialists Company 2006-2012	Nil
Scott Hix ⁽¹⁾ <i>Bend, Oregon</i>	Director	Managing Partner of TargetPath, LLC (a marketing and business accelerator and strategic partner to Global NV)	Nil
Scott Reeves ⁽¹⁾ <i>Calgary, Alberta</i>	Director	Partner, TingleMerrett LLP (Calgary-based corporate law firm)	Nil
Ron Lavigne ⁽¹⁾ <i>Silverton, Idaho</i>	Director	President and CEO of Idaho Mining Apparel & Supply Inc.	Nil

Notes:

- (1) Proposed member of the Audit Committee.
- (2) For a complete description of the proposed directors, officers and other management personnel of the Resulting Issuer, see “*Proposed Management of the Resulting Issuer*” below.

Officers

The first executive officers of the Resulting Issuer are expected to be the following:

Brad Wyatt, President and Chief Executive Officer;
Glenn Dooley, Chief Operating Officer and Corporate Secretary; and
Albert Taylor, Chief Financial Officer.

Biographies of Proposed Directors and Executive Officers of the Resulting Issuer

Below are the biographies of the proposed directors and officers of the Resulting Issuer. Each of the officers is expected to work full time for the Resulting Issuer. Each officer is initially expected to be an independent contractor rather than an employee of the Resulting Issuer

Brad Wyatt, Proposed President, Chief Executive Officer and Director, Age 49

Mr. Wyatt is an employee of the Company and devotes 100% of his professional time to the Company as President and CEO.

For the last four years, Mr. Wyatt has worked in the Hemp Industry within Colorado. He is also the co-founder/creator of Strasburg Pharms, LLC, SMBT, LLC and CannaOil, Inc., all wholly owned subsidiaries of the Company. He has served in managerial and executive positions as well as being a member of the board of directors since 2014 while dedicating most all of his professional time to developing and growing the Company since 2014. He is also a co-founder/co-owner of MAC5 Mortgage, Inc. which he founded with Glenn Dooley in 2006 and stepped away from the day to day operations to focus on the Company in 2014. Coming from Corporate American serving in key operational roles for the US Army, Federal Mogul, Sears Roebuck and Target Corporation, Mr. Wyatt has a keen sense and extensive training, not to mention on the job execution of process management and process improvement that has allowed him to expand his impact in the entrepreneurial environment when he decided to leave Target to start his own company (MAC5 Mortgage, Inc.). Starting a mortgage company in 2006, prior to the collapse of the mortgage industry highlights his determination and ability to successfully execute a start up in an industry that was extremely unforgiving. MAC5 Mortgage today operates in (6) six states and employs over 100 people. Mr. Wyatt's experience and background in process management / improvement and specifically Industrial Hemp production facilities coupled with his knowledge and experience in management and finance afford him the skills to effectively manage the farming and overall operations of the Company.

Mr. Wyatt has entered into an employment contract with the Company which includes non-competition and non-disclosure provisions.

Glenn Dooley, Proposed Chief Operating Officer and a Director, Age 49

Mr. Dooley currently serves as a Director and advisor to the Company and is expected to join the Company as an employee in 2019 devoting 100% of his professional time to the Company as Secretary and COO.

Mr. Dooley is a co-founder of the Company and has been identified to become our director and Secretary and Chief Operations Officer when the business demand facilitates the transfer of his efforts from his current role at MAC5 Mortgage. Prior to the formation of our Company, Mr. Dooley was a co-founder of Strasburg Pharms, LLC, SMBT, LLC and CannaOil, Inc., all wholly owned subsidiaries of the Company. He has served in managerial and executive positions as well as being a member of the board of directors since 2014. He is also a co-founder/co-owner Broker and Operations Manager of MAC5 Mortgage, Inc. which he founded with Brad Wyatt in 2006. Mr. Dooley has an undergraduate degree in biology and brings to the team a breadth of knowledge and experience in management and finance, coupled with effectively operating in a growing entrepreneurial environment.

Mr. Dooley has entered into an employment contract with the Company which includes non-competition and non-disclosure provisions.

Albert Taylor, CFO, Age 40

Mr. Taylor is an employee of Global NV and devotes 100% of his professional time to the Company as its CFO.

Albert Taylor has over fifteen (15) years of experience in accounting, auditing, and financial management including the agricultural industry. Mr. Taylor's experience within the agriculture industry proves beneficial to achieving Global NV's objectives and growth. Mr. Taylor has entered into a non-competition or non-disclosure agreement with Global NV.

Scott Hix, Director, Age 49

Mr. Hix is a senior executive with extensive CEO, General Management and Business Development experience in the high-tech industry. He has a strong record of successfully launching and managing global high growth businesses in both the consumer and commercial markets. He is currently a co-founder, CEO and board member of Avocor (Commercial Display), board member of Agile Displays (Commercial Display), co-founder and Managing Partner of TargetPath (Management Consultancy), Board Member of FIIL Audio and Lumaglo (Consumer Electronics).

Mr. Hix has over twenty years of successive P&L leadership at Avocor, Sol Republic, Chilin Technology, Agile Display, TargetPath, Planar Systems and InFocus, driving high growth organically and through M&A while increasing profit through effective expense management and operational controls. He has broad experience in marketing product portfolios to consumers, education, government, small business and large corporate accounts through mass merchandising (distribution, retail, e-tail, direct) as well as value-add (Resellers, System Integrators,

OEM) and direct channels. Over eighteen years of global experience leading organizations in North & Latin America, Europe, Middle East and Asia. He is a decisive leader with a passion for leading high-performance teams, establishing strong customer loyalty and expanding market share while reducing operating cost.

Mr. Hix has a Business Degree from Portland State University and has completed the Stanford University, Graduate School of Business, Executive Program for High Growth Companies as well as extensive management and executive course work over the last twenty years.

Scott Reeves, Director, Age 50

Mr. Reeves is a partner at the law firm of TingleMerrett LLP. He has acted as corporate and securities counsel to numerous Canadian and International public and private corporations, including oil and gas, technology, mining and industrial issuers, and has wide experience in private and public debt and equity offerings, corporate acquisitions of assets and/or shares, corporate structuring and debt financing. He has extensive experience assisting issuers intending to list and operate on Canadian stock exchanges has taught nationally in the areas of exempt markets and e-Commerce financing. He is currently a director and/or officer of the several Canadian public and private companies. Mr. Reeves has been with Tingle Merrett LLP since 2003 prior to which he was with the Calgary office of a major national law firm.

Mr. Reeves has a Bachelor of Commerce degree (hons.-1990) from the University of Alberta and a Bachelor of Laws (hons. - 1995) degree from the University of Alberta and is a current executive member of the Advisory Board of the TSXV.

Ron Lavigne, Director, Age 64

Ronald Lavigne is currently a Registered Pharmacist and has been for forty years. He was formerly the President and CEO of The Lavigne Drug Group which operated a small chain of independent pharmacies in Idaho and Montana. He was responsible for all financial aspects related to the company, as well as maintaining staffing and ensuring complete compliance with all pharmacy laws and regulations within those pharmacies. He is currently the President of the Idaho State Pharmacy Association and has been in that position for the past 9 years. In 2010 Mr. Lavigne received one of the highest honors in the pharmacy profession, the Bowl of Hygieia Award, which recognizes pharmacists who possess outstanding records of civic leadership in their communities.

Mr. Lavigne is currently the President and CEO of Idaho Mining Apparel and Supply. The company is based in Osburn, Idaho and its primary business is the manufacturing of garments, safety apparel and other safety accessories for the mining and construction industries. In addition, it also supplies those industries with a variety of other goods via a competitive bidding process. The company supplies to companies both in the United States and internationally. Mr. Lavigne started the company in 2012 and has grown the company from annual revenues of \$200,000 to just over \$2,000,000 in 2018. Mr. Lavigne oversees purchasing and logistics and he is also responsible for reviewing all corporate financial statements. He also maintains control over most of the financial decisions including labor and staffing, controlling cost of goods, sales forecasting and analysis and inventory control.

Mr. Lavigne currently serves on numerous non-reporting small mining company boards. He was a member of the Board of Directors of Daybreak Oil and Gas from 1999 until 2014. During that time, he was a member of the Audit committee as well as the Nominating and Corporate Governance Committee. He is well versed in regard to policies, procedures and regulatory compliance. In his time serving as a board member he developed a clear understanding of the duties and obligations that are required of a board member including maintaining a high regard for ethical standards and for respecting the thoughts and opinions of fellow board members.

Mr. Lavigne has a Bachelor of Science in Pharmacy from the University of Montana.

Directors Relationships with Other Reporting Issuers

The following table sets out the directors and officers of the Company that are presently directors of other issuers that were or are reporting issuers:

Name	Name of Reporting Issuer	Exchange or Market
Scott Reeves	Navion Capital Inc.	TSXV
	Tree of Knowledge International Corp.	CSE
	International Cannabrand Inc.	CSE
	CanadaBis Capital Inc.	TSXV
Ron Lavigne	Daybreak Oil & Gas	OTCQB

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, no director, officer, Insider or Promoter or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company is, or within ten (10) years before the date of the Prospectus, has been, a director, officer, Insider or Promoter of any other Issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade or similar order, or an order that denied such Issuer access to any statutory exemptions for a period of more than thirty (30) consecutive days; or (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Reeves was a director and Corporate Secretary of Guardian Exploration Inc. (“**Guardian**”) which, on May 1, 2008, the ASC issued an MCTO ordering the cessation of trading in the securities of Guardian by certain of its insiders, including Mr. Reeves. The MCTO was issued for failure to file its annual audited financial statements for the year ended December 31, 2007. On June 6, 2008, the ASC, pursuant to the filing of the annual audited financial statements of Guardian, revoked the MCTO.

On April 29, 2016, Edge Resources Inc., (“**Edge**”), of which Mr. Reeves was a director and corporate secretary, received an order of the Court of Queen’s Bench of Saskatchewan appointing Grant Thornton as receiver over the company’s Saskatchewan-based assets and, on September 2, 2016, received an order of the Court of Queen’s Bench of Alberta appointing Grant Thornton as receiver over the company’s Alberta-based assets. The receiver was discharged on the Alberta-based assets on December 19, 2016 and on the Saskatchewan-based assets on February 1, 2017. On August 5, 2016 Edge received a cease trade order from the Alberta Securities Commission for failure to file financial statements. Since a Receiver had been appointed for Edge on April 29, 2016, the officers and directors of Edge were no longer in control of the assets or undertaking of Edge, being replaced by Grant Thornton (the Receiver). This made it impossible, following such date, for the directors of Edge to affect the continuance of Edge’s public filings. A copy of the order may be provided by request.

Mr. Reeves was a director and Corporate Secretary of Quattro Exploration and Production Ltd. (“**Quattro**”) when, on May 3, 2016, due to the failure of Quattro to file its annual audited financial statements and management discussion and analysis for the year ended December 31, 2015, the Alberta Securities Commission issued a management cease trade order (“**Quattro MCTO**”) ordering the cessation of trading in the securities of Quattro by its senior management and directors, including Mr. Reeves. On June 15, 2016, the ASC, pursuant to the filing of the outstanding annual audited financial statements and management discussion and analysis of Quattro, revoked the Quattro MCTO. On September 8, 2016, Quattro received an order from the Court of Queen’s Bench of Alberta granting creditor protection pursuant to the *Companies’ Creditors Arrangement Act* (Alberta). The order was extended by the court until November 30, 2016 on October 7, 2016. On February 2, 2017, Quattro received an order

of the Court of Queen's Bench of Alberta appointing Hardy & Kelly Inc. as receiver over the company's assets. On May 8, 2017, Quattro received a cease trade order from the Alberta Securities Commission for failure to file financial statements. Since a Receiver had been appointed for Quattro on February 2, 2017, the officers and directors of Quattro were no longer in control of the assets or undertaking of Quattro, being replaced by Hardy & Kelly Inc. (the Receiver). This made it impossible, following such date, for the directors of Quattro to affect the continuance of Quattro's public filings. A copy of the order may be provided by request.

Mr. Reeves was a director and Corporate Secretary of Perisson Petroleum Corporation ("**Perisson**") on May 1, 2018 when the ASC issued an MCTO ordering the cessation of trading in the securities of Perisson by certain of its insiders, including Mr. Reeves, for its failure to file annual audited financial statements, annual management's discussion and analysis, and certification of annual filings for the year ended December 31, 2017. The MCTO was lifted on June 15, 2018 upon filing of the annual audited financial statements.

Penalties or Sanctions

Other than as disclosed below, no director, officer, Insider or Promoter of the Company, or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

No director, officer, Insider or Promoter of the Company, or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons has, within the ten (10) years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers, Insiders and Promoters of the Company will be subject in connection with the operations of the Company. All of the directors, officers, Insiders and Promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Company for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where some or all of the directors, officers, Insiders and Promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (Alberta).

Shareholdings of the Anticipated Insiders, Promoters and Control Persons of the Resulting Issuer

The shareholdings pre-Merger and post-Merger of each anticipated insider, promoter and control person of the Resulting Issuer now and following the closing of the proposed Merger, are, or will be, as follows (based on issued and outstanding Common Shares and Series A Preferred Shares (collectively, "**Resulting Issuer Shares**") totaling 13,277,977 Common Shares and 375,062 Series A Preferred Shares after the proposed Merger):

Insider, Promoter or Control Person of the Resulting Issuer	CBD Global Shares Owned or Controlled Before the proposed Merger		The Resulting Issuer Securities Owned or Controlled After Giving Effect to the Merger	
	Number	Percentage	Number	Percentage ⁽¹⁾
Brad Wyatt	Nil	Nil	2,267,248 Common Shares 84,157 Series A Preferred Shares	17.07% Common Shares 22.43% Series A Preferred Shares ⁽²⁾
Glenn Dooley	Nil	Nil	2,250,124 Common Shares 84,787 Series A Preferred Shares	16.94% Common Shares 22.61% Series A Preferred Shares ⁽³⁾
Albert Taylor	Nil	Nil	Nil	Nil
Scott Hix	Nil	Nil	Nil	Nil
Scott Reeves	Nil	Nil	Nil	Nil
Ron Lavigne	Nil	Nil	Nil	Nil

Note:

- (1) Percentages are rounded.
- (2) Assuming full conversion of the Series A Preferred Shares (100 to 1) and no conversion/exercise of the Global NV Warrants or Global NV Notes, Mr. Wyatt will own 11,336,240 (20.32%) of the outstanding Common Shares at the Closing Date.
- (3) Assuming full conversion of the Series A Preferred Shares (100 to 1) and no conversion/exercise of the Global NV Warrants or Global NV Notes, Mr. Dooley will own 11,250,620 (20.17%) of the outstanding Common Shares at the Closing Date.

It is anticipated that, as at the Closing Date, the directors and officers of the Resulting Issuer will, on a fully diluted basis, beneficially own or control or direct, directly or indirectly, in the aggregate 22,586,860 Resulting Issuer Common Shares representing approximately 25.56% of the issued and outstanding shares of the Resulting Issuer Shares (fully diluted).

Principal shareholders

Based on information available as at the date of this Prospectus, it is anticipated that, as at the Effective Time, three shareholders will beneficially own or exercise control or direction over, directly or indirectly, more than ten percent (10%) of the outstanding voting securities of the Resulting Issuer, and the table below sets out such shareholder's name and municipality of residence, as well as the number of voting securities anticipated to be so owned, controlled or directed and the percentage of the outstanding voting securities of the Resulting Issuer anticipated to be so owned, controlled or directed.

Name and State and Country of Residence	Number of the Resulting Issuer Securities	Type of Ownership	Percentage of Outstanding the Resulting Issuer Shares ⁽¹⁾
Brad Wyatt, Colorado, USA	2,267,248 Common Shares 84,157 Series A Preferred Shares	Direct	17.07% Common Shares 22.43% Series A Preferred Shares ⁽²⁾

Glenn Dooley, Colorado, USA	2,250,124 Common Shares 84,787 Series A Preferred Shares	Direct	16.94% Common Shares 22.61% Series A Preferred Shares ⁽³⁾
Scott Darnell Colorado, USA	1,306,554 Common Shares 51,640 Series A Preferred Shares	Direct	9.84% Common Shares 13.77% Series A Preferred Shares ⁽⁴⁾

Note:

- (1) Percentages are rounded.
- (2) Assuming full conversion of the Series A Preferred Shares (100 to 1) and no conversion/exercise of the Global NV Warrants or Global NV Notes, Mr. Wyatt will own 11,336,240 (20.32%) of the outstanding Common Shares at the Closing Date.
- (3) Assuming full conversion of the Series A Preferred Shares (100 to 1) and no conversion/exercise of the Global NV Warrants or Global NV Notes, Mr. Dooley will own 11,250,620 (20.17%) of the outstanding Common Shares at the Closing Date.
- (4) Assuming full conversion of the Series A Preferred Shares (100 to 1) and no conversion/exercise of the Global NV Warrants or Global NV Notes, Mr. Darnell will own 6,832,770 (13.12%) of the outstanding Common Shares at the Closing Date.

Escrowed Securities

Currently, none of the Company's Common Shares are subject to any escrow arrangements.

Concurrently with the completion of the proposed Merger, the Resulting Issuer will enter into an Escrow Agreement with Computershare Trust Company, pursuant to which the Resulting Issuer's Named Executive Officers, directors, other Insiders and other shareholders will deposit all of their CBD Global Units in escrow as set out below.

Designation of class⁽¹⁾	Number of securities to be held in escrow or that are subject to a restriction on transfer	Percentage of class
Common Shares	6,369,440	47.97%
Series A Preferred Shares	220,580	58.81%

Notes:

- (1) Ten percent (10%) of the Common Shares to be issued on completion of the proposed Merger, namely 636,944 Common Shares, and ten percent (10%) of the Series A Preferred Shares to be issued on completion of the proposed Merger, namely 22,058 Series A Preferred Shares will be released from escrow on the Escrow Commencement Date, namely the first day of trading of Resulting Issuer Common Shares on the CSE.

The Escrowed Securities will be released from escrow on the following schedule:

Time or event for release of Escrowed Securities	Percentage of CBD Global Securities to be Released	Number of CBD Global Securities to be Released
On the Escrow Commencement Date	10% of the Escrowed Securities	636,944 Common Shares 22,058 Series A Preferred Shares
6 months after the Escrow Commencement Date	15% of the Escrowed Securities	955,416 Common Shares 33,087 Series A Preferred Shares
12 months after the Escrow Commencement Date	15% of the Escrowed Securities	955,416 Common Shares 33,087 Series A Preferred Shares
18 months after the Escrow Commencement Date	15% of the Escrowed Securities	955,416 Common Shares 33,087 Series A Preferred Shares
24 months after the Escrow Commencement Date	15% of the Escrowed Securities	955,416 Common Shares 33,087 Series A Preferred Shares
30 months after the Escrow Commencement date	15% of the Escrowed Securities	955,416 Common Shares 33,087 Series A Preferred Shares

36 months after the Escrow Commencement Date	15% of the Escrowed Securities	955,416 Common Shares 33,087 Series A Preferred Shares

Compensation Discussion and Analysis

It is anticipated that the Resulting Issuer will adopt the compensation principles of Global NV following the Effective Date and that the Resulting Issuer Board will appoint a compensation committee following the Effective Date which committee will be responsible for determining all forms of compensation, including long-term incentives in the form of stock options, to be granted to the proposed Named Executive Officers and directors of the Resulting Issuer, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Resulting Issuer, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Resulting Issuer Board will consider: (i) recruiting and retaining executives critical to the success of the Resulting Issuer and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the shareholders of the Resulting Issuer; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. See Part Two under "*Executive Compensation of Global NV*" for details of the compensation principles of Global NV.

Option-Based Awards of NEOs of the Resulting Issuer

The terms of the Resulting Issuer's Stock Option Plan will be identical to those of the CBD Global Stock Option Plan. See Part One under "*Stock option plans and other incentive plans*" for details. The Resulting Issuer Board may amend the stock option plan from time to time in accordance with applicable securities and Exchange regulations, subject to any necessary shareholder approvals.

Pension Plan Benefits

It is not anticipated that the Resulting Issuer will, as of the Effective Date or in the foreseeable future, have any pension plans that provide for payments of benefits at, following or in connection with retirement or provide for retirement or deferred compensation plans for the Named Executive Officers or directors of the Resulting Issuer.

Termination and Change of Control Benefits

It is not anticipated that there will, as of the Effective Time, be any contracts, agreements, plans or arrangements that provide for payments to the Named Executive Officers of the Resulting Issuer at, following, or in connection with, any termination, resignation, retirement, change in control of the Resulting Issuer or change in their responsibilities. See also the termination provisions of the CBD Global Stock Option Plan in Part One under "*Stock option plans and other incentive plans*" for the effect of termination on options granted on the Resulting Issuer Shares.

Material Factors Necessary to Understand Director Compensation

It is not known at this time whether directors of the Resulting Issuer will receive any compensation for attending meetings of the directors, meetings of the Resulting Issuer committees of the Board or meetings of the shareholders of the Resulting Issuer. It is anticipated that the directors of the Resulting Issuer will be eligible to be granted stock options under the Resulting Issuer Stock Option Plan, as described in Part One under "*Stock option plans and other incentive plans*".

Directors' and Officers' Liability Insurance

It is anticipated that, promptly following the Effective Date, the Resulting Issuer will obtain a directors' and officers' liability insurance policy for the protection of the directors and officers of the Resulting Issuer.

Equity Compensation Plan Information

The following table sets out information proposed to be in effect as at the Effective Time with respect to the Resulting Issuer's Stock Option Plan, which is the only compensation plan as at such time under which options to purchase equity securities of the Resulting Issuer will be authorized for issuance to employees or non-employees such as directors and consultants. The Resulting Issuer's Stock Option Plan will, upon proposed Merger, be the

same as the CBD Global Stock Option Plan. For further information regarding the Resulting Issuer's Stock Option Plan, see Part One under "*Stock option plans and other incentive plans*".

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders ⁽¹⁾⁽²⁾	Nil	N/A	1,327,798 Common Shares
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	Nil	N/A	1,327,798 Common Shares

Notes:

- (1) The CBD Global Stock Option Plan is a "**rolling plan**" providing for options to be granted on a number of Common Shares equal to ten percent (10%) of the issued and outstanding Common Shares at the time of the grant.
- (2) Assuming 13,277,977 Resulting Issuer Common Shares are issued and outstanding at the Closing Date.

Indebtedness of Directors and Officers

No existing or proposed director or officer of the Resulting Issuer or any associate thereof is indebted to the Resulting Issuer or its subsidiaries.

SELECTED PRO FORMA FINANCIAL INFORMATION REGARDING THE RESULTING ISSUER

The following table sets out certain selected historical financial information for each of Global NV and CBD Global as well as unaudited pro forma financial information for Global NV, after giving effect to the proposed Merger. Global NV has a financial year ending December 31 and CBD Global has a financial year ending August 31.

The following information should be read in conjunction with and is qualified by the contents of the unaudited Pro Forma Consolidated Financial Statements of Global NV and the notes thereto attached as **Appendix "I"** of this Prospectus which are based on the audited combined financial statements of Global NV for the periods ending December 31, 2018, 2017 and 2016, and the audited consolidated financial statements of CBD Global for the period ended February 28, 2019.

Summary of Pro Forma Consolidated Statement of Financial Position as at February 28, 2019

As at	Historical (audited)		Pro Forma (unaudited)	
	Global NV December 31, 2018 \$	CBD Global February 28, 2019 \$	Adjustments \$	Resulting Issuer February 28, 2019 \$
Current Assets	4,555,571	144,831	160,487	6,589,199
Total Assets	6,000,983	144,831	160,487	8,018,801
Total Liabilities	3,968,666	Nil	(565,026)	4,550,201
Shareholders' Equity (Deficiency)	2,032,317	144,831	725,513	3,468,600

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

The Board of Directors of the Resulting Issuer is expected to appoint the following proposed directors as members of the audit committee following the Effective Time – Ron Lavigne, Glenn Dooley and Scott Hix. It is anticipated that the Resulting Issuer Board will continue with the CBD Global Audit Committee Charter attached to this Prospectus as **Appendix “F”**. Glenn Dooley is the only member of the Audit Committee not considered “independent” and all of them are “financially literate” within the meaning of Canadian Securities Administrators’ National Instrument 52-110 – *Audit Committees (“NI 52-110”)*.

The Board of Directors of the Resulting Issuer is expected to adopt corporate governance practices that are substantially similar to those of the Company. See Part One under “*Audit Committee and Corporate Governance of the Company*” above.

The education and experience of each Audit Committee member of the Resulting Issuer that is relevant to the performance of his and her responsibilities is as follows:

Name	Determination of Financial Literacy
Ron Lavigne	Mr. Lavigne is currently the President and CEO of Idaho Mining Apparel and Supply. Mr. Lavigne oversees purchasing and logistics and he is also responsible for reviewing all corporate financial statements for the company. He also maintains control over most of the financial decisions including labor and staffing, controlling cost of goods, sales forecasting and analysis and inventory control.
Glenn Dooley	Mr. Dooley a co-founder/co-owner Broker and Operations Manager of MAC5 Mortgage, Inc. Mr. Dooley has an undergraduate degree in biology and brings to the team a breadth of knowledge and experience in management and finance, coupled with effectively operating in a growing entrepreneurial environment

Scott Hix	Mr. Hix has a Business Degree from Portland State University and has completed the Stanford University, Graduate School of Business, Executive Program for High Growth Companies as well as extensive management and executive course work over the last twenty years

All three Audit Committee members of the Resulting Issuer have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Resulting Issuer's financial statements and are therefore considered "*financially literate*".

Each Audit Committee member is a businessman with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor.

As a venture issuer, the Resulting Issuer intends to continue to rely on the exemption from Parts 3 and 5 of NI 52-110 regarding the composition of the Audit Committee and reporting obligations.

AUDITORS, TRANSFER AGENT AND REGISTRAR OF RESULTING ISSUER

Auditors

It is proposed that, effective as of the Effective Time of the proposed Merger, Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, Vancouver, British Columbia, the current auditors of Global NV, will be the auditors of the Resulting Issuer until the first annual meeting of shareholders of the Resulting Issuer or until their successors are elected or appointed. That appointment was approved at the meeting of shareholders of the Company held on January 24, 2019.

Transfer Agent and Registrar

The transfer agent and registrar for the Company's Common Shares is Capital Transfer Agency at its principal office in Toronto, Ontario.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS WITH THE RESULTING ISSUER

See "*Conflicts of Interest*" and "*Interest of Management and Others in Material Transactions with the Company*" in Part One of this Prospectus and "*Conflicts of Interest*" and "*Interest of Global NV's Management and Others in Material Transactions with Global NV*" in Part Two of this Prospectus.

MATERIAL AGREEMENTS

Upon closing of the proposed Merger, the material contracts of the Resulting Issuer will be the same as those of CBD Global (as they are one and the same corporation) and, indirectly through Mergeco, the material agreements of Global NV will be the same as those of Global NV. See Part Two of this Prospectus under "*Disclosure Regarding Global NV - Material Agreements*".

PROMOTER OF THE RESULTING ISSUER

Brad Wyatt is considered to be a promoter of the Resulting Issuer as that term is defined in the Securities Act (Alberta) as he has, through the negotiation and execution of the Merger Agreement leading to the Reverse Take-Over of the Company, taken the initiative in substantially reorganizing the business of the Company to become the Reporting Issuer. Mr. Wyatt will beneficially own or control 2,267,248 common shares and 84,157 preferred shares of the Resulting Issuer. Effective May 15, 2018, Mr. Wyatt entered into a written agreement with Global NV to receive \$25,000 per month for his services as President and CEO terminable pursuant to the terms of the agreement. Mr. Wyatt will not receive anything of value from the Resulting Issuer and has no entitlement to receive anything of value except as set forth in this Prospectus. See “*Directors and Officers*”, “*Principal Shareholders*”, “*Consolidated Capitalization*”, “*Material Agreements*”, and “*Prior Sales*”.

See “*Executive Compensation*”, “*Principal Shareholders*”, “*Directors and Executive Officers*”, “*Interests of Management and Others in Material Transactions*”, and “*Material Agreements*” in “*Part Two – Global NV*” and “*Part Three – The Resulting Issuer*” of this Prospectus for additional disclosure concerning the promoter.

ENFORCEMENT OF JUDGEMENTS AGAINST FOREIGN PERSONS

The Company’s subsidiaries, including Global IP, Global NV, CannaOil, SP, and SMBT, are formed or continued under the laws of a jurisdiction outside of Canada, therefore, the Company’s operations and assets are located outside of Canada. Brad Wyatt, the CEO, chairman and director of the Company, Glenn Dooley, the COO and director of the Company, and Scott Hix, director of the Company, also reside outside of Canada. Although the Company has appointed TingleMerrett LLP, 1250, 639 – 5th Ave. SW, Calgary, Alberta T2P 0M9, as its agent for service of process in Canada, it does not have an office in Canada and it may not be possible for shareholders to enforce against such persons judgments obtained in Canadian courts predicated on the civil liability provisions of applicable securities laws in Canada.

Shareholders are advised that it may not be possible for them to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

FINANCIAL STATEMENTS AND MD&A

The following financial statements are attached as **Appendix I** to this Prospectus:

- Resulting Issuer Pro Forma Financial Statements

APPENDIX A
FINANCIAL STATEMENTS OF THE COMPANY

CBD Global Sciences Inc.

Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of
CBD Global Sciences Inc.

Opinion

We have audited the accompanying consolidated financial statements of CBD Global Sciences Inc. (the "Company"), which comprise the consolidated statement of financial position as at February 28, 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the period from incorporation on August 30, 2018 to February 28, 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2019, and its financial performance and its cash flows for the period from incorporation on August 30, 2018 to February 28, 2019 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, Canada

Chartered Professional Accountants

Date

CBD Global Sciences Inc.

Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

		February 28, 2019
As at	Notes	
Assets		
Current assets		
Cash		\$ 107,956
Prepaid Expenses (Note 6)		36,875
Total assets		\$ 144,831
Liabilities		
Accounts payable and other liabilities		\$ -
Shareholders' equity		
Share capital	4	204,200
Deficit		(59,369)
Total shareholders' equity		144,831
Total shareholders' equity and liabilities		\$ 144,831

Approved on behalf of the Board of Directors on May XX, 2019 by:

"Sandra Dosdall" Sandra Dosdall

"Ariane Young" Ariane Young

Nature and Continuance of Operations (Note 1)

The accompanying notes form an integral part of these consolidated financial statements

CBD Global Sciences Inc.

Consolidated Statement of Loss and Comprehensive Loss

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

	Notes		For the period from incorporation on August 30, 2018 to February 28, 2019
Expenses			
Consulting fees	6a	\$	15,625
Professional fees	6b		43,744
Loss and comprehensive loss		\$	(59,369)
Basic and diluted loss per share	5	\$	(0.02)
Weighted average number of common shares outstanding – basic and diluted			3,517,555

The accompanying notes form an integral part of these consolidated financial statements

CBD Global Sciences Inc.

Consolidated Statement of Changes in Shareholders' Equity

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

Share Capital							
	Notes	Number	Amount	Deficit	Total		
Balance, August 30, 2018		-	\$ -	\$ -	\$ -		-
Issuance of common shares	4	4,337,000	213,700	-	213,700		
Share issuance costs	4	-	(9,500)	-	(9,500)		
Net loss for the period		-	-	(59,369)	(59,369)		
Balance, February 28, 2019		4,337,000	\$ 204,200	\$ (59,369)	\$ 144,831		

CBD Global Sciences Inc.

Consolidated Statement of Cash Flows

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

	Notes	For the period from incorporation on August 30, 2018 to February 28, 2019
Cash flows from operating activities		
Net loss for the period		\$ (59,369)
Non-cash working capital items:		
Prepaid expenses		(36,875)
Net cash used in operating activities		(96,244)
Cash flows from financing activities		
Issuance of common shares	4	213,700
Share issuance costs	4	(9,500)
Net cash provided by financing activities		204,200
Increase in cash during the period		107,956
Cash, beginning of the period		-
Cash, end of the period		\$ 107,956

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

CBD Global Sciences Inc. (the "Company", or "CBD") was incorporated under the Business Corporations Act (Alberta) on August 30, 2018. The registered office of the Company is located at 1250-639 5th Avenue S.W., Calgary, Alberta, Canada T2P 0M9. The Company does not have any subsidiaries.

The Company was incorporated for the sole purpose of reviewing opportunities to enter into transactions (a "Transaction") with other entities that result in the post-transaction entity being a public issuer on a recognized Canadian stock exchange. The Company anticipates that its primary role in a Transaction will be to provide support to the post-transaction entity in meeting its minimum listing requirements for a Canadian stock exchange that the post-transaction entity makes its application to list its securities on for trading.

On December 10, 2018, the Company signed a merger agreement with Global NV Corp. ("Global NV") for a three-cornered merger transaction which will constitute a reverse take-over of the Company. Global NV is a private company incorporated in Nevada which provides "Seed-to-Sale" Industrial Hemp cultivation, and the resulting conversion to biomass and manufacturing of CBD infused consumer products. Pursuant to the terms of the merger agreement, Global NV will amalgamate with Subco, a wholly owned subsidiary of CBD, pursuant to a statutory procedure of the Nevada Revised Statutes and, in connection with such merger, each holder of Global NV Shares will receive one CBD Unit in exchange for each Global NV Share.

The Company agreed to acquire all the outstanding shares of Global NV Corp. in consideration of the issuance by the Company of an aggregate of 13,451,530 CBD Units consisting of 13,451,530 CBD Common Shares and 375,064 CBD Preferred Shares to the Global NV Shareholders. CBD Shareholders will hold 2,837,000 shares at the time of the share exchange and the total number of common shares outstanding will be 17,788,530. Preferred shares are convertible to Common shares at 1 to 100 common shares. The shareholders of Global NV and CBD approved the Merger Agreement on January 24, 2019.

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities, or the impact on the consolidated statement of loss and comprehensive loss and consolidated financial position classifications that would be necessary were the going concern assumption not be appropriate.

As at February 28, 2019, the Company has a cumulative deficit of \$59,369 and a working capital surplus of \$144,831. Management has assessed that there is enough cash to support operations over the next 12 months. There can be no assurance that a viable business opportunity that can be adequately financed will be identified and available to the Company. Additional equity and/or debt financing is subject to the global financial markets and prevailing economic conditions, which have recently been volatile and distressed. These factors will likely make it more challenging to obtain financing for the Company going forward.

These consolidated financial statements were authorized by the Board of Directors of the Company on May XX, 2019.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Account Standards Board ("IASB") and interpretations of the

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

International Financial Reporting Interpretations Committee (“IFRIC”).

2. BASIS OF PRESENTATION (Continued)

Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at their fair value. The consolidated financial statements are presented in Canadian dollars, which is also the Company’s functional currency. In addition, the consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the Company’s subsidiaries are included in these consolidated financial statements. All intercompany balances and transactions, income and expenses have been eliminated upon consolidation. The Company has one wholly owned subsidiary Global Sciences Corp., located in Nevada, USA.

Critical Accounting Estimates, Judgments and Assumptions

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below. Significant judgments used in the preparation of these consolidated financial statements include but are not limited to those relating to the assessment of the Company’s ability to continue as a going concern. Significant estimates used in the preparation of these consolidated financial statements include the measurement of deferred tax assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash includes highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Impairment of tangible and intangible assets

At the end of each reporting period, the Company’s assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of tangible and intangible assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) fair value through profit or loss (“FVTPL”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI, are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income.

The classification determines the method by which the financial assets are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded.

Impairment

An ‘expected credit loss’ impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded.

Share-based payment transactions

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions (continued)

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date using the Black-Scholes option pricing model. They are recognized as an expense over the vesting periods of the options using the graded vesting model. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to share-based payment reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves are recorded as share capital.

Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

reporting periods.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent accounting pronouncements issued but not yet effective

Effective March 1, 2019, the Company will adopt the following accounting standards:

IFRS 16, *Leases* ("IFRS 16")

In January 2016, the IASB issued IFRS 16, *Leases*, which will replace IAS 17, *Leases*. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard will be effective for annual periods beginning on or after January 1, 2019. The Company has determined that adopting IFRS 16 will not have a material impact on its consolidated financial statements.

4. SHARE CAPITAL

a) Authorized share capital:

As at February 28, 2019, the authorized share capital of the Company was as follows:

- An unlimited number of Class A common shares, of which there are 4,337,000 Class A common shares outstanding. Class A common shares are entitled to one vote per Class A common share, shall be entitled to receive and participate in any dividends declared, subject to the rights of the holders of the preferred shares.
- An unlimited number of Class B common shares, of which none are issued and outstanding. Class B shares are not entitled to voting rights and may receive dividends after preferred shares and Class A common shares; and
- An unlimited number of preferred shares without par value, of which none are issued and outstanding. Preferred shares may be issued from time to time in one or more series having the rights, privileges, restrictions and conditions which the board of directors determines prior to the issue. Preferred shares rank prior to the common shares with respect to the payment of dividends.

b) Issued and outstanding share capital:

For the period from incorporation on August 30, 2018 to February 28, 2019:

- On August 30, 2018, the Company issued 1,500,000 common shares at \$0.02 for gross proceeds of \$30,000 on incorporation. In connection with the private placement, the Company paid a cash commission of \$3,000.
- On October 2, 2018, the Company issued 2,000,000 shares in a non-brokered private placement at \$0.05 per share for gross proceeds of \$100,000.
- During the month of December 2018, the Company issued 837,000 common shares in a brokered private placement at \$0.10 per share for gross proceeds of \$83,700. In connection with the private placement, the Company paid a cash commission of \$1,500 and incurred share issuance costs of \$5,000.

c) Stock options

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants, to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

based on the market price of the Company's stock for a period preceding the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

As at February 28, 2019, there were no stock options outstanding.

5. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	For the period from incorporation on August 30, 2018 to February 28, 2019
Weighted average number of shares – basic:	
Issued common shares as at August 30, 2018	-
Effect of common shares issued during the period	3,517,555
Effect of escrowed shares	-
	3,517,555
Net loss	\$ (59,369)
Loss per share – basic and diluted	\$ (0.02)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

6. RELATED PARTY TRANSACTIONS

a) Key management compensation

Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company and includes certain executive directors, and entities controlled by such persons. The key management personnel of the Company are certain members of the Company's executive management team and the Board of Directors.

Remuneration attributed to key management personnel are summarized as follows:

	For the period from incorporation on August 30, 2018 to February 28, 2019
Consulting fees	\$ 15,625
	\$ 15,625

b) Other transactions

During the period from incorporation on August 30, 2018 to February 28, 2019, the Company incurred \$44,544 in legal costs to a law firm in which a director is a partner. Legal costs of \$39,544 are included in professional fees in the consolidated statement of loss and comprehensive loss, and \$5,000 are included as share issuance costs.

As at February 28, 2019, \$36,875 of consulting fees were paid to a director and to two companies controlled by a director pursuant to consulting agreements, the amount of which has been included in prepaid expenses.

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

7. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

8. FINANCIAL INSTRUMENTS AND RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 –	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 –	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 –	Inputs that are not based on observable market data.

At February 28, 2019, the Company's financial instruments consist of cash. The fair value of cash is based on level 1 inputs of the fair value hierarchy.

The Company is exposed to a variety of financial instrument related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. To minimize the credit risk, the Company plans on placing its instruments with a high credit quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at February 28, 2019, the Company had cash of \$107,956 and no liabilities.

Interest rate risk

The Company has cash balances and is not exposed to any significant interest rate risk.

CBD Global Sciences Inc.

Notes to the Consolidated Financial Statements

For the period from incorporation on August 30, 2018 to February 28, 2019

(Expressed in Canadian Dollars)

9. INCOME TAXES

A reconciliation of income tax (recovery) at statutory rates with reported taxes for the period from incorporation on August 30, 2018 to February 28, 2019 is as follows:

	For the period from incorporation on August 30, 2018 to February 28, 2019	
Loss before income taxes	\$	(59,369)
Expected income tax recovery	\$	(15,000)
Change in statutory, foreign tax, foreign exchange rates, and other		1,000
Share issuance cost		(3,000)
Change in unrecognized deductible temporary differences		17,000
Income tax recovery	\$	-

	For the period from incorporation on August 30, 2018 to February 28, 2019	
Share issuance costs	\$	2,000
Non-capital losses available for future period		15,000
		17,000
Unrecognized deferred tax assets		(17,000)
Net deferred tax assets	\$	-

No deferred tax asset has been recognized because the amount of future taxable profit that will be available to realize such assets is not probable.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2019	Expiry Date Range
Temporary Differences		
Share issuance costs	\$ 8,000	2040 to 2043
Non-capital losses available for future periods	\$ 61,000	2039

APPENDIX B

MANAGEMENT DISCUSSION AND ANALYSIS OF THE COMPANY

CBD Global Sciences Inc.
(also referred to as “CBD Global” or the “Corporation”)

**MANAGEMENT’S DISCUSSION & ANALYSIS FOR THE PERIOD FROM INCORPORATION
ON AUGUST 31, 2018 TO FEBRUARY 28, 2019**

The following discussion and analysis should be read in conjunction with the consolidated financial statements for the period from incorporation on August 30, 2018 to February 28, 2019 prepared in accordance with International Financial Reporting Standards (“IFRS”). Additional information regarding the Corporation is available on SEDAR at www.sedar.com.

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

DATE

This management’s discussion and analysis (“MD&A”) is dated May XX, 2019 and is in respect of the period from incorporation on August 30, 2018 to February 28, 2019. The discussion in this management's discussion and analysis focuses on this period. Estimates and forward-looking information are based on assumptions of future events and actual results may vary from these estimates.

DESCRIPTION OF CBD GLOBAL SCIENCES INC.’S BUSINESS AND OVERALL PERFORMANCE

CBD Global Sciences Inc. (the "Company") was incorporated under the Business Corporations Act (Alberta) on August 30, 2018. The registered office of the Company is located at 1250-639 5th Avenue S.W., Calgary, Alberta, Canada T2P 0M9. The Company does not have any subsidiaries.

The Company was incorporated for the sole purpose of reviewing opportunities to enter into transactions (a “Transaction”) with other entities that result in the post-transaction entity being a public issuer on a recognized Canadian stock exchange. The Company anticipates that its primary role in a Transaction will be to provide support to the post-transaction entity in meeting its minimum listing requirements for a Canadian stock exchange that the post-transaction entity makes its application to list its securities on for trading.

During the period from incorporation on August 30, 2018 to February 28, 2019, the Company has focused its operations on reviewing potential transactions and raising funds through the issuance of share capital.

RISKS AND UNCERTAINTIES

The Company does not have a history of earnings, nor has it paid any dividends. The Company has only limited funds and there is no assurance that the Corporation will identify a business or asset that warrants acquisition.

SELECTED FINANCIAL INFORMATION

The Company was incorporated on August 30, 2018 and was not yet a “Reporting Issuer” pursuant to applicable securities legislation.

The following table is a summary of selected financial information (in Canadian dollars) derived from the Company’s consolidated financial statements prepared in accordance with IFRS:

		For the period from incorporation on August 30, 2018 to February 28, 2019
Total assets	\$	144,831
Total liabilities	\$	-
Revenues	\$	-
Net loss and comprehensive loss for the period	\$	(59,369)
Basic and diluted net loss per share for the period	\$	(0.02)
Weighted average number of common shares outstanding – basic and diluted		3,517,555

RESULTS OF OPERATIONS

During the period from incorporation on August 30, 2018 to February 28, 2019, the Company incurred a loss of \$59,369, these operating costs can be summarized as follows:

		For the period from incorporation on August 30, 2018 to February 28, 2019
Consulting fees	\$	15,625
Professional fees		43,744
Total operating expenses	\$	59,369

The significant expenditures in the period can be described as follows:

- Consulting expenses of \$15,625 were incurred for services provided in relation to the Company’s merger agreement.
- Professional fees of \$43,744 consist of legal fees of \$39,544 and audit fees of \$4,200.

OUTSTANDING SHARE DATA

At the date of this MD&A, the shares outstanding were 4,337,000 issued and outstanding shares of common stock. There are no outstanding warrants or stock options.

LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2019, the Corporation had net working capital of \$144,831 comprised of cash which management considers to be sufficient for the Corporation to meet its ongoing obligations.

To date, the Company has not yet realized profitable operations. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future.

CASH FLOWS

During the period from incorporation on August 30, 2018 to February 28, 2019, net cash provided by financing activities was \$204,200. The Company raised \$213,700 in gross proceeds from the issuance of common shares, and incurred share issuance costs of \$9,500.

Net cash used in operating activities for the period from incorporation on August 30, 2018 to February 28, 2019 was \$96,244 relating to consulting and professional fees.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTY

a) Key management compensation

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes certain executive directors, and entities controlled by such persons. The key management personnel of the Company are certain members of the Company's executive management team and the Board of Directors.

Remuneration attributed to key management¹ personnel are summarized as follows:

	For the period from incorporation on August 30, 2018 to February 28, 2019	
Consulting fees	\$	15,625
	\$	15,625

b) Other transactions

During the period from incorporation on August 30, 2018 to February 28, 2019, the Company incurred \$44,544 in legal costs to Tingle Merrett LLP of which Ariane Young is a partner. Legal costs of \$39,544 are included in general and administrative expenses in the consolidated statement of loss and comprehensive loss, and \$5,000 are included as share issuance costs.

As at February 28, 2019, \$16,042 in consulting fees were paid to Dosdall Properties Inc., a Company controlled by Director Sandra Dosdall; \$16,667 in consulting fees were paid to Douglas Design Associates Inc., a Company controlled by Sandra Dosdall, and \$4,166 in consulting fees were paid to Director Kelly Balaberda, for a total of \$36,875 which has been included in prepaid expenses.

¹ Key management personnel include Kelly Balaberda, Director and President, Sandra Dosdall, Director, and Ariane Young, Director.

FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

At February 28, 2019, the Company's financial instruments consist of cash. The fair value of cash is based on level 1 inputs of the fair value hierarchy.

The Company is exposed to a variety of financial instrument related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. To minimize the credit risk, the Company plans on placing its instruments with a high credit quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at February 28, 2019, the Company had cash of \$107,956 and no liabilities.

Interest rate risk

The Company has cash balances and is not exposed to any significant interest rate risk.

SUBSEQUENT EVENTS

None.

PROPOSED TRANSACTIONS

On December 10, 2018, the Company signed a merger agreement with Global NV Corp. ("Global NV") for a three-cornered merger transaction which will constitute a reverse take-over of the Company. Global NV is a private company incorporated in Nevada which provides "Seed-to-Sale" Industrial Hemp cultivation, and the resulting conversion to biomass and manufacturing of CBD infused consumer products. Pursuant to the terms of the merger agreement, Global NV will amalgamate with Subco, a wholly owned subsidiary of CBD, pursuant to a statutory procedure of the Nevada Revised Statutes and, in connection with such merger, each holder of Global NV Shares will receive one CBD Unit in exchange for each Global NV Share.

The Company agreed to acquire all the outstanding shares of Global NV Corp. in consideration of the issuance by the Company of an aggregate of 13,451,530 CBD Units consisting of 13,451,530 CBD Common Shares and 375,064 CBD Preferred Shares to the Global NV Shareholders. CBD Shareholders will hold 2,837,000 shares at the time of the share exchange and the total number of common shares outstanding will be 17,788,530. Preferred shares are convertible to Common shares at 1 to 100 common shares. The shareholders of Global NV and CBD approved the Merger Agreement on January 24, 2019.

FORWARD LOOKING INFORMATION

This MD&A contains forward-looking information in the “Risks and Uncertainties” and “Outlook” sections that involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond the Corporation’s control. Such assumptions, risks and uncertainties include, without limitation, those associated with, loss of markets, volatility of commodity prices, currency fluctuations, delays resulting from the inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the effect of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Corporation’s actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. The forward-looking information is made as at the date of this MD&A and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

APPENDIX C
MERGER AGREEMENT

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT made as of the 10th day of December 2018.

AMONG:

CBD GLOBAL SCIENCES INC., a corporation incorporated under the laws of the Province of Alberta (hereinafter referred to as the "**Purchaser**" or "**CBD**")

-and-

GLOBAL NV CORP., a corporation formed under the laws of the State of Nevada (hereinafter referred to as the "**Company**" or "**Global NV**")

-and-

All securityholders of the Company as set out in **Schedule "A"** attached hereto (hereinafter referred to as the "**Global NV Securityholders**")

WHEREAS:

1. The Purchaser wishes to acquire, indirectly, all of the issued and outstanding common shares in the capital of the Company ("**Global NV Shares**") from the Global NV Shareholders;
2. The Global NV Shareholders wish to effectively exchange all of the Global NV Shares that they currently own for CBD Units (as defined herein) of the Purchaser;
3. The acquisition of the Global NV Shares from the Global NV Shareholders by the Purchaser is intended to qualify the Purchaser for a listing on the Canadian Securities Exchange;
4. The parties to this Agreement intend that the Resulting Issuer (as defined herein) will be a Foreign Private Issuer (as defined herein) and the CBD Preferred Shares contain certain provisions to effect that intent; and
5. The parties to this Agreement intend that the Merger contemplated by this agreement, shall qualify as an exchange of Global NV Shares for CBD Units pursuant to Section 351 of the U.S. Tax Code (as defined herein).

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree with each other as follows:

ARTICLE 1 - DEFINITIONS

- 1.1 **Definitions.** In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following words and terms set forth in this Article 1 shall have the meanings respectively assigned to them:
- (a) "**ABCA**" means the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, including the regulations promulgated thereunder, as amended from time to time;
 - (b) "**Affiliate**" means an affiliated body corporate within the meaning of the *Business Corporations Act* (Alberta);
 - (c) "**Agreement**" means this Agreement and all instruments supplemental hereto or in amendment or confirmation hereof; "herein", "hereof" and similar expressions mean and refer to this Agreement and not to any particular article, section, clause or subclause; and "Section", "clause" or

"subclause" means and refers to the specified article, section, clause or subclause of this Agreement;

- (d) "**Arm's Length**" has the meaning ascribed thereto for purposes of the Canada Tax Act;
- (e) "**Business Day**" means a day other than a Saturday or Sunday on which the principal commercial banks located in Vancouver, British Columbia are open for business during normal banking hours;
- (f) "**Canada Tax Act**" means the *Income Tax Act* (Canada), as it may be amended from time to time, and any successor thereto. Any reference herein to a specific section or sections of the Canada Tax Act, or regulations promulgated thereunder, shall be deemed to include a reference to all corresponding provision of future law;
- (g) "**CBD Preferred Shares**" means Series A Convertible Preferred Shares in the capital of the Purchaser with the terms set forth on **Schedule "C"**;
- (h) "**CBD Shares**" means common shares in the capital of the Purchaser;
- (i) "**CBD Units**" means a unit of CBD, whereby each unit consists of 1.31987 CBD Common Shares and 0.036801 CBD Preferred Shares;
- (j) "**Closing**" means the completion of the Transaction, which shall take place on the Closing Date at the offices of TingleMerrett LLP in Calgary, Alberta;
- (k) "**Closing Date**" means the date of Closing which is expected to be on or before December 31, 2018, or such later date as agreed to by CBD and the Company;
- (l) "**Commissions**" means the Alberta Securities Commission and the Ontario Securities Commission;
- (m) "**Company**" or "**Global NV**" means Global NV Corp., a corporation formed under the laws of the State of Nevada;
- (n) "**Company's Business**" means the business previously and heretofore carried on by the Company, which consists of seed to sale cultivation of industrial hemp and processing its biomass into wholesale and consumer products;
- (o) "**Company's Financial Statements**" means the audited financial statements of the Company as at and for the 2 years ended December 31, 2017 and 2016, and the unaudited consolidated financial statements as at September 30, 2018, each of which consists of a balance sheet, statements of operations, statements of changes in Shareholders' deficit, statements of cash flows and all notes thereto;
- (p) "**Consideration**" has the meaning set forth in Section 2.1 of this Agreement;
- (q) "**CSE**" or "**Exchange**" means the Canadian Securities Exchange;
- (r) "**Generally Accepted Accounting Principles**" means the generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants or American Institute of Certified Public Accountants, as applicable, or any successor institute, as at the date on which such calculation is made or required to be made in accordance with such principles;
- (s) "**Global NV Disclosure Letter**" means the disclosure letter dated as of the date hereof from the Company to the Purchaser;
- (t) "**Global NV Notes**" mean all of the issued and outstanding notes convertible to acquire common shares of the Company, all of which are currently registered in the name of the Global NV Noteholders;

- (u) **"Global NV Noteholders"** means holders of Global NV Notes listed in **Schedule "A"** attached hereto;
- (v) **"Global NV Securityholders"** means holders of Global NV Shares, Global NV Notes and Global NV Warrants listed in **Schedule "A"** attached hereto;
- (w) **"Global NV Shares"** means all of the issued and outstanding common shares of the Company, all of which are currently registered in the name of the Global NV Shareholders;
- (x) **"Global NV Warrants"** mean all of the issued and outstanding warrants exercisable to acquire common shares of the Company, all of which are currently registered in the name of the Global NV Warrantholders;
- (y) **"Global NV Warrantholders"** means holders of Global NV Warrants listed in **Schedule "A"** attached hereto;
- (z) **"Foreign Private Issuer"** means *"foreign private issuer"* as defined in Rule 3b-4 under the U.S. Securities Act;
- (aa) **"IFRS"** means International Financial Reporting Standards, being the International Financial Reporting Standards of accounting, applicable as at the date on which such calculation is made or required to be made in accordance with such standards;
- (bb) **"Interim Period"** means the period from the date of this Agreement to and including the Closing Date;
- (cc) **"International Jurisdiction"** has the meaning set forth in Section 2.3;
- (dd) **"Material Fact"** in relation to any party hereto includes, without limitation, any fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the shares of such party;
- (ee) **"Merger"** means the merger effected under the Plan of Merger;
- (ff) **"MergeCo"** means Global Sciences Corp., a corporation formed under the laws of the State of Nevada as contemplated under Section 2.2 of this Agreement;
- (gg) **"Minimum Listing Requirements"** shall have the meaning ascribed to it by the CSE;
- (hh) **"NRS"** means the Nevada Revised Statutes;
- (ii) **"Person"** means any individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (jj) **"Plan of Merger"** means the Plan of Merger in substantially the form attached hereto as **Schedule "E"**;
- (kk) **"Prospectus"** means the prospectus of the Resulting Issuer, prepared in accordance with the rules and policies of the Commissions and the CSE;
- (ll) **"Purchase Agreement Default"** means any material misrepresentation or breach of warranty made by a party to this Agreement, or the failure of a party to this Agreement to perform or observe in any material respect any of the covenants or agreements to be performed by such party under this Agreement or any agreement or other certificate or instrument delivered in connection herewith;
- (mm) **"Purchaser"** or **"CBD"** means CBD Global Sciences Inc., a corporation incorporated under the laws of the Province of Alberta;
- (nn) **"Purchaser's Business"** means the business currently being operated by the Purchaser;
- (oo) **"Purchaser's Financial Statements"** means the audited financial statements of the Purchaser as at and for the period ended August 31, 2018, consisting of Condensed Statements of Financial Position, Condensed Statements of Comprehensive Loss, Condensed Statements of Changes in Shareholders' Equity, Condensed Statements of Cash Flows and all notes thereto;

- (pp) **"Resulting Issuer"** means the Purchaser immediately following the Share Exchange and Merger.
- (qq) **"Survival Period"** means a period of twelve (12) months from the Closing Date and, with respect to representations and warranties regarding Taxes, Tax Laws and Tax Returns, the period ending thirty (30) days following the expiry of the applicable statute of limitations;
- (rr) **"Taxes"** means any and all taxes including but not limited to federal, provincial, state, local or foreign income, gross receipts, employment, excise, stamp, profits, real property, personal property, sales, use and any interest, penalties or additions thereto;
- (ss) **"Tax Laws"** means the Canada Tax Act, the U.S. Tax Code and any applicable federal, state, provincial, or foreign income taxation statute(s), as from time to time amended, and any successors thereto;
- (tt) **"Tax Returns"** means all reports, estimates, declarations of estimated tax, information statements and returns relating to, or required to be filed in connection with, any Taxes;
- (uu) **"Third Party"** means any Person other than the parties to this Agreement;
- (vv) **"Transaction"** means the acquisition by the Purchaser from the Global NV Shareholders of all of the Global NV Shares pursuant to the terms of this Agreement and includes the Share Exchange and Merger;
- (ww) **"U.S. GAAP"** means United States generally accepted accounting principles;
- (xx) **"U.S. Securities Act"** means the United States Securities Act of 1933, as amended; and
- (yy) **"U.S. Tax Code"** means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder. Any reference herein to a specific section or sections of the U.S. Tax Code, or regulations promulgated thereunder, shall be deemed to include a reference to all corresponding provision of future law
- 1.2 **Currency.** Unless otherwise indicated, all dollar amounts referred to in this Agreement are in Canadian funds.
- 1.3 **Tender.** Any tender of documents or money hereunder may be made upon the parties or their respective counsel and money may be tendered by official bank draft drawn upon a Canadian chartered bank or trust company or by negotiable cheque payable in Canadian funds and certified by a Canadian chartered bank or trust company.
- 1.4 **Number and Gender.** Where the context requires, words imparting the singular shall include the plural and *vice versa*, and words imparting gender include all genders.
- 1.5 **Headings.** Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content thereof and shall not be considered part of this Agreement or affect the construction or interpretation of any provision hereof.
- 1.6 **Schedules.** The Schedules to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth *verbatim* herein. The following Schedules are attached hereto:

Schedule "A"	—	Global NV Securityholders and Number of Global NV Shares
Schedule "B"	—	Share Consideration
Schedule "C"	—	Preferred Share Terms
Schedule "D"	—	Escrow Agreement
Schedule "E"	—	Plan of Merger

- 1.7 **Accounting Terms.** All accounting terms not specifically defined herein shall be construed in accordance with Generally Accepted Accounting Principles.

ARTICLE 2 - EXCHANGE OF GLOBAL NV SHARES

2.1 Acquisition of the Company.

- (a) Each of the Global NV Shareholders hereby agrees to exchange ("**Share Exchange**"), and the Purchaser agrees to acquire, all of the Global NV Shares registered in their respective names, as more particularly set forth in **Schedule "A"**, in consideration of the issuance by CBD of an aggregate of Thirteen Million Four Hundred Fifty One Thousand Five Hundred Thirty (13,451,530) CBD Units (consisting of Thirteen Million Four Hundred Fifty One Thousand Five Hundred Thirty (13,451,530) CBD Shares and Three Hundred Seventy Five Thousand Sixty Four (375,064) CBD Preferred Shares) ("**Consideration**") to the Global NV Shareholders in the proportions set forth in **Schedule "B"** hereto at an ascribed price of USD\$0.20 per Global NV Share.
- (b) Fractional CBD Shares and, CBD Preferred Shares will be rounded up or down to the nearest whole share.

2.2 Acquisition Structure.

Each of the Purchaser, Company and Global NV Shareholders agree that the Share Exchange will be structured and effected as follows:

- (a) The Purchaser agrees to amend and restate its Articles of Incorporation to authorize the issuance of the CBD Preferred Shares with the rights and preferences set forth in **Schedule "C"**);
- (b) MergeCo shall merge with and into the Company under Chapter 92A of the NRS, *et seq.* or applicable state law, with Global NV Shareholders receiving CBD Units and the Company will be the survivor of the merger under the Plan of Merger, in substantially the form attached hereto as **Schedule "E"**;
- (c) By execution and delivery of this Agreement and pursuant to NRS 78.320, each Global NV Shareholder, acting without a meeting, does hereby adopt the following resolutions and does hereby consent to the taking of the following actions in consent to the Plan of Merger:
- (i) **RESOLVED**, that the Agreement, in the form substantially executed by each Global NV Shareholder, by and among the Purchaser, the Company and each Global NV Shareholder is hereby authorized, approved, ratified and confirmed in all respects;
- (ii) **RESOLVED**, that the Plan of Merger, as set forth in the Agreement, and the transactions contemplated thereunder are hereby authorized, approved, ratified and confirmed in all respects; and
- (iii) **RESOLVED**, that the officers of the Company be and hereby are authorized and directed to take any and all lawful action, including causing the Company or any of its subsidiaries to take lawful action, necessary to effect the transactions contemplated in the Agreement and Plan of Merger, such actions are hereby approved, ratified and confirmed in all respects;
- (d) On the Closing Date, the Purchaser shall cause its director(s) to resign and shall cause Brad Wyatt, Scott Reeves, Glenn Dooley and Scott Hix to be elected or appointed as the directors of the Resulting Issuer until their successors have been duly elected or appointed and qualified; and

(e) On the Closing Date, the Purchaser shall cause its officers to resign and shall cause the following persons to be appointed as officers of the Resulting Issuer:

- (i) Brad Wyatt as Chairman, President and Chief Executive Officer;
- (ii) Alex McAulay as Chief Financial Officer; and
- (iii) Glenn Dooley as Secretary.

2.3 **Payment of the Consideration.** The Consideration shall be issued to the Global NV Shareholders at Closing from treasury.

2.4 **Exemption**

- (a) The parties hereto agree and acknowledge that the Transaction will be completed relying upon Section 2.11 *Business combination and reorganization* or Section 2.16 *Take-over bid and issuer bid* of National Instrument 45-106 *Prospectus Exemptions*;
- (b) Each of the Global NV Shareholder hereby represents and warrants to the Purchaser that:
 - (i) the Global NV Shareholder is knowledgeable of, or has been independently advised as to, the applicable securities laws having application in the jurisdiction in which it is resident ("**International Jurisdiction**") which would apply to the offer and sale of the Consideration;
 - (ii) the Global NV Shareholder is acquiring the Consideration pursuant to exemptions from prospectus or equivalent requirements under applicable laws or, if such is not applicable, the Global NV Shareholder is permitted to purchase the Consideration under applicable securities laws of the International Jurisdiction without the need to rely on any exemptions;
 - (iii) the applicable securities laws of the International Jurisdiction do not require the Purchaser to make any filings or seek any approvals of any kind from any securities regulator of any kind in the International Jurisdiction in connection with the offer, issue, sale or resale of any of the Consideration;
 - (iv) the receipt of the Consideration by the Global NV Shareholder does not trigger (A) any obligation to prepare and file a prospectus or similar document, or any other report with respect to such purchase in the International Jurisdiction, or (B) any continuous disclosure reporting obligation of the Purchaser in the International Jurisdiction; and
 - (v) The Global NV Shareholder will, if requested by the Purchaser, deliver to the Purchaser a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in subparagraphs (ii), (iii) and (iv) above to the satisfaction of the Purchaser, acting reasonably.

2.5 Escrow and Resale Restrictions

- (a) the Global NV Shareholders acknowledge that Consideration may be subject to escrow pursuant to the policies of the Exchange. If required, the Global NV Shareholders agree to abide by all escrow requirements imposed by the Exchange and agrees to enter into the requisite form of escrow agreement as required by the Exchange;
- (b) the principal Global NV Shareholders, namely Brad Wyatt and Glenn Dooley, acknowledge and agree to enter into a voluntary escrow agreement, substantially in the form attached as **Schedule "D"**; and
- (c) the Global NV Shareholders acknowledge and agree that the Consideration will be subject to resale restrictions under applicable securities laws, including section 2.6 *Seasoning Period* of National Instrument 45-102 *Resales of Securities*, and the policies of the Exchange, and agree to abide by all applicable resale restrictions and hold periods imposed by applicable securities laws and the policies of the Exchange.

2.6 **U.S. Tax Treatment.** Each party hereto agrees that (a) the Merger is intended to qualify as a tax-deferred transfer by the Global NV Shareholders of their Global NV Shares to CBD pursuant to Section 351 of the U.S. Tax Code, (b) each party shall retain such records and file such information as is required to be retained and filed pursuant to Treasury Section 1.351-3 in connection with the Merger, and (c) each party shall otherwise use its best efforts to cause the Merger to qualify as a tax-deferred transfer by the Global NV Shareholders of their Global NV Shares to CBD pursuant to Section 351 of the U.S. Tax Code. In connection with the Merger, the parties agree to treat CBD as a United States domestic corporation for U.S. federal income tax purposes under Section 7874(b) of the Code. No party shall take any action, fail to take any action, cause any action to be taken or cause any action to fail to be taken that could reasonably be expected to prevent (1) the Merger from qualifying as a tax-deferred transfer within the meaning of Section 351 of the U.S. Tax Code, or (2) CBD from being treated as a United States domestic corporation for U.S. federal income tax purposes under Section 7874(b) of the U.S. Tax Code. Each party hereto agrees to act in good faith, consistent with the intent of the parties and the intended treatment of the Merger as set forth in this Section 2.5.

2.7 **U.S. Securities Law Exemptions.** Each of the Global NV Shareholders hereby acknowledges, represents and warrants to the Purchaser that:

- (a) the CBD Preferred Shares and CBD Shares, as applicable, issued as the Consideration under Section 2.1 of this Agreement shall be issued pursuant to Section 4(a)(2) of the U.S. Securities Act and applicable state securities laws;
- (b) it is acquiring the CBD Preferred Shares and CBD Shares, as applicable, issued as the Consideration for its own account (or for the account or benefit of one or more persons for whom it is exercising sole investment discretion), for investment purposes only and not with a view to resale or distribution and, in particular, neither it nor any beneficial owner has any intention to distribute either directly or indirectly any of the Securities in the United States or to, or for the account or benefit of, persons in the United States;
- (c) the CBD Preferred Shares and CBD Shares, as applicable, issued as the Consideration to any person in the United States, and any common shares issued upon conversion thereof, shall be "**restricted securities**" (as defined under Rule 144(a)(3) of the U.S. Securities Act) and shall bear a legend in substantially the form as follows:

"THE SECURITIES REPRESENTED HEREBY [AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAWS. THE HOLDER HEREOF, BY

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PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES OR "BLUE SKY" LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF SUBPARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR SUCH OTHER EVIDENCE AS THE CORPORATION MAY REQUIRE IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE CORPORATION TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

- (d) it understands and acknowledges that the Purchaser has no obligation or present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Securities in the United States;
- (e) it understands that the Purchaser may instruct its registrar and transfer agent not to record any transfer of any securities of the Purchaser without first being notified by the Purchaser that it is satisfied that such transfer is exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable securities laws of any state of the United States.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties of Purchaser.** The Purchaser hereby represents and warrants to the Company and the Global NV Shareholders that:

- (a) the Purchaser is a corporation incorporated and subsisting under the laws of the Province of Alberta, has all requisite corporate power to own its properties and conduct its business as presently being conducted by it, and is registered or otherwise qualified to carry on business in all jurisdictions in which the nature of its assets or business makes such registration or qualification necessary or advisable;
- (b) subject to obtaining all required approvals and consents as referred to in Section 5.1(e) hereof, the Purchaser has full legal capacity and corporate power to enter into this Agreement and to take, perform or execute all proceedings, acts and instruments necessary or advisable to consummate the actions and transactions contemplated in this Agreement; all necessary corporate action has been taken, or will be taken prior to the Closing Date, by or on the part of the Purchaser to authorize its execution and delivery of this Agreement, and the taking, performing or executing of such proceedings, acts and instruments as are necessary or advisable for consummating the actions and transactions contemplated in this Agreement and for fulfilling its obligations hereunder;
- (c) this Agreement has been duly executed and delivered on behalf of the Purchaser and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except

as such terms may be limited by bankruptcy, insolvency, reorganization or other laws relating to the enforcement of creditors' rights generally;

- (d) neither the execution nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with and fulfilment of the terms and provisions of this Agreement will:
 - (i) conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under:
 - (1) any of the constating documents or by-laws of the Purchaser; or
 - (2) any instrument, agreement, mortgage, judgment, order, award, decree or other instrument or restriction to which the Purchaser is a party of or by which it is bound; or
 - (ii) except as otherwise described herein, require any affirmative approval, consent, authorization or other order or action by any court, governmental authority or regulatory body or by any creditor of the Purchaser or any party to any agreement to which the Purchaser is a party or by which the Purchaser is bound, except as shall have been obtained prior to Closing;
- (e) the authorized capital of the Purchaser consists of an unlimited number of common shares and an unlimited number of preferred shares issuable in series, of which 2,500,000 CBD Shares are presently issued and outstanding. All of the presently issued and outstanding CBD Shares have been validly allotted and issued and are outstanding as fully-paid and non-assessable shares;
- (f) no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase from the Purchaser of any CBD Shares or for the subscription, allotment or issuance of any unissued shares in the capital of the Purchaser;
- (g) the books and records of the Purchaser fairly and correctly set out and disclose in all material respects, the financial position of the Purchaser as at the dates thereof and all material financial transactions of the Purchaser relating to the Purchaser's Business have been accurately recorded in such books and records;
- (h) the Purchaser's Financial Statements fairly present the financial position of the Purchaser as at the date thereof and fairly present the results of operations for the periods ended on such dates, all in accordance with IFRS consistently applied throughout the period covered thereby, save and except as stated therein;
- (i) the corporate records and minute books of the Purchaser as made available to the Company contain complete and accurate minutes of all meetings of and corporate actions or written consents by the directors and shareholders of the Purchaser, including, without limitation, all by-laws and resolutions passed by the board of directors and shareholders of the Purchaser, held since the incorporation of the Purchaser; and all such meetings were duly called and held. The shareholders' list maintained by the Purchaser's registrar and transfer agent has been provided for review to the Company and the Global NV Shareholders and is, to the best of the Purchaser's knowledge, complete and accurate in all respects;
- (j) other than as disclosed herein, the Purchaser does not hold or own, beneficially or otherwise, any securities of any other corporate entity;

- (k) the Purchaser does not operate or engage in any business activities, operations or management of any nature or kind whatsoever other than the Purchaser's Business;
- (l) except as expressly referred to in the Purchaser's Financial Statements,
 - (i) the Purchaser does not have outstanding any bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever and the Purchaser is not bound under any agreement to create, issue or incur any bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever, and
 - (ii) the Purchaser is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (m) no payments have been made or authorized by the Purchaser to its officers, directors, employees, shareholders or former directors, officers, employees or shareholders or to any person not dealing at Arm's Length with any of the foregoing, except those expressly disclosed herein, reflected in the Purchaser's Financial Statements or made in the ordinary course of business and at the regular rates payable to them of salary, pension, bonuses or other remuneration of any nature;
- (n) the Purchaser has filed all Tax Returns required to be filed by it prior to the date hereof in all applicable jurisdictions and has paid, collected and remitted all Taxes, customs duties, tax instalments, levies, assessments, reassessments, penalties, interest and fines due and payable, collectible or remittable by it at present. All such Tax Returns properly reflect, and do not in any respect understate, the income, taxable income or the liability for Taxes of the Purchaser in the relevant period and the liability of the Purchaser for the collection, payment and remittance of Tax under applicable Tax Laws;
- (o) adequate provision has been made in the Purchaser's Financial Statements for all Taxes, governmental charges and assessments, including interest and penalties thereon, payable by the Purchaser for all periods up to the date of the balance sheets comprising part of the Purchaser's Financial Statements;
- (p) the Purchaser has withheld and remitted all amounts required to be withheld and remitted by it in respect of any Taxes, governmental charges or assessments in respect of any taxable year or portion thereof;
- (q) there are no actions, suits or other proceedings, investigations or claims in progress or pending and, to the best of the Purchaser's belief and knowledge, there are no actions, suits or other proceedings or investigations or claims threatened, against the Purchaser in respect of any Taxes, governmental charges or assessments. No waivers have been filed by the Purchaser with any taxing authority;
- (r) other than any required regulatory approvals, no consent, licence, approval, order or authorization of, or registration, filing or declaration with any governmental authority that has not been obtained or made by the Purchaser and no consent of any Third Party is required to be obtained by the Purchaser in connection with the execution, delivery and performance by the Purchaser of this Agreement or the consummation of the Transaction as contemplated hereby; and the issuance of the CBD Shares to certain Global NV Shareholders in accordance with section 2.2 hereof will not result in the loss of any regulatory consent, licence, approval, order, authorization or registration materially benefiting the Purchaser;
- (s) there is no action, lawsuit, claim, proceeding, or investigation pending or, to the best knowledge of the Purchaser, threatened against, relating to or affecting the Purchaser before any court, government agency, or any arbitrator of any kind, and the Purchaser is not aware of any existing

ground on which any such proceeding might be commenced with any reasonable likelihood of success; and there is not presently outstanding against the Purchaser any judgment, decree, injunction, rule or order of any court, governmental agency, or arbitrator relating to or affecting the Purchaser in connection with the Purchaser's Business;

- (t) the Purchaser does not currently own any material insurable assets and does not currently maintain any policies of insurance;
- (u) except as previously disclosed to the Global NV Shareholders, there are no outstanding written or oral employment contracts, sales, services, management or consulting agreements, employee benefit or profit-sharing plans, or any bonus arrangements with any employee of the Purchaser, nor are there any outstanding oral contracts of employment which are not terminable on the giving of reasonable notice in accordance with applicable law. There are no pension or retirement plans established by or for the Purchaser for the employees of the Purchaser's Business;
- (v) the Purchaser is a Foreign Private Issuer; and
- (w) no representation or warranty made by the Purchaser in this Agreement, and no statement made in any schedule, exhibit, certificate or other document furnished pursuant to this Agreement, contains, or will contain, any untrue statement of a Material Fact or omits, or will omit, to state any Material Fact necessary to make such representation or warranty or any such statement not misleading. The Purchaser does not know of any fact which, if known to the Company, would deter them from consummating the transactions contemplated herein.

3.2 **Representations and Warranties of the Company.** The Company hereby represents and warrants to the Purchaser that:

- (a) the Company is a corporation formed and subsisting under the laws of the State of Nevada, has all legal capacity and requisite corporate power to own its properties and conduct its business as presently being conducted by it, and is duly registered or otherwise qualified to carry on business in all jurisdictions in which the nature of its assets or business makes such registration or qualification necessary or advisable;
- (b) **Schedule "A"** hereto is a true list of registered Global NV Securityholders and the number of issued and outstanding Global NV securities. Such Global NV Shares, Global NV Warrants and Global NV Notes shall constitute all of the issued and outstanding securities of the Company at Closing;
- (c) the Company has the full legal capacity and corporate power to enter into this Agreement and to take, perform or execute all proceedings, acts and instruments necessary or advisable to consummate the other actions and transactions contemplated in this Agreement and to fulfil the Company's obligations under this Agreement;
- (d) this Agreement has been duly executed and delivered by the Company and this Agreement constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such terms may be limited by bankruptcy, insolvency, re-organization or other laws relating to the enforcement of creditors' rights generally;
- (e) neither the execution, nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with and fulfilment of the terms and provisions of this Agreement will:
 - (i) conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under:

- (1) any of the constating documents or by-laws of the Company; or
- (2) any instrument, agreement, mortgage, judgment, order, award, decree or other instrument or restriction to which the Company is a party or by which the Company is bound; or
- (ii) require any affirmative approval, consent, authorization or other order or action by any court, governmental authority or regulatory body or by any creditor of the Company, or any party to any agreement to which the Company is a party or by which the Company is bound, except as shall have been obtained prior to Closing;
- (f) other than an aggregate of 3,314,192 Global NV Shares that are issuable upon the exercise of the Global NV Warrants and 3,600,000 Global NV Shares that are issuable upon the conversion of the Global NV Notes, no person, firm or corporation has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any unissued securities of the Company;
- (g) the authorized capital of the Company consists of 11,000,000 Global NV Shares of which 10,191,550 Global NV Shares are issued and outstanding;
- (h) the books and records of the Company fairly and correctly set out and disclose in all material respects, the financial position of the Company as at the dates thereof and all material financial transactions of the Company relating to the Company's Business have been accurately recorded in such books and records;
- (i) the Company is not a "**reporting issuer**" under relevant securities legislation or a "**distributing corporation**" under relevant corporate legislation. The Company is a "**private issuer**" within the meaning of the *Securities Act* (Alberta);
- (j) except as set out in the Global NV Disclosure Letter, all of the issued and outstanding Global NV Shares were issued (i) pursuant to valid exemptions from the registration requirements of the U.S. Securities Act and all applicable state securities laws and (ii) as duly authorized, validly issued, fully paid and non-assessable common shares of the Company;
- (k) save and except for matters which are disclosed in the Company's Financial Statements or otherwise expressly set out in this Agreement, the Company has not (nor has it agreed to):
 - (i) incurred any debts, obligations or liabilities (absolute, accrued, contingent or otherwise and whether due or to become due), except debts, obligations and liabilities incurred in the ordinary course of business;
 - (ii) discharged or satisfied any liens or paid any obligation or liability other than liabilities shown on the Company's Financial Statements other than in the ordinary course of business;
 - (iii) except as set out in the Global NV Disclosure Letter, declared or made any payment, distribution or dividend based on its shares, or purchased, redeemed or otherwise acquired any of the shares in its capital or other securities or obligated itself to do so;
 - (iv) mortgaged, pledged or subjected to lien or other security interest any of its assets, tangible or intangible other than the usual security granted to secure a bank line of credit;

- (v) sold, assigned, leased, transferred or otherwise disposed of any of its assets (excluding inventory) whether or not in the ordinary course of business, except for transactions involving the Company's properties previously disclosed in writing to the Purchaser;
 - (vi) except as set out in the Global NV Disclosure Letter, increased materially the compensation payable or to become payable by the Company to any of its officers, directors or employees, or in any bonus payment to or arrangement made with any officer, director or employee, or made any material changes in the personnel policies or employee benefits of the Company;
 - (vii) cancelled, waived, released or compromised any debt, claim or right resulting in a material adverse effect on the business, prospects or financial condition of the Company;
 - (viii) significantly altered or revised any of its accounting principles, procedures, methods or practices;
 - (ix) changed its credit policy as to provision of services or collection or accounts receivable (except as dictated by competitive conditions);
 - (x) suffered any material damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting the properties, business or prospects of the Company;
 - (xi) entered into any transaction, contract or commitment other than in the ordinary course of business (except for the transactions set forth in this Agreement);
 - (xii) made or authorized any capital expenditures except for commitments made in respect of the Company's properties previously disclosed to the Purchaser;
 - (xiii) suffered or experienced any material adverse change in, or event or circumstance affecting, the condition (financial or otherwise), properties, assets, liabilities, earnings, business, operations or prospects of the Company (and the Company has no knowledge, information or belief of any fact, event or circumstances which might reasonably be expected to affect materially and adversely the condition (financial or otherwise), properties, assets, liabilities, earnings, business operations or prospects of the Company), and none has changed any shares of its capital stock, whether by way of reclassification, stock split or otherwise;
- (l) the Company's Financial Statements fairly present the financial position of the Company as at the date thereof and fairly present the results of operations for the periods ended on such dates, all in accordance with U.S. GAAP consistently applied throughout the period covered thereby, save and except as stated therein. The Company's books of account reflect items of income and expense and all assets and liabilities and accruals required to be reflected therein;
 - (m) the corporate records and minute books of the Company as provided to the Purchaser or its legal counsel contain complete and accurate minutes of all meetings of and corporate actions or written consents by the directors and shareholders of the Company including, without limitation, all by-laws and resolutions passed by the board of directors and shareholders of the Company held since the incorporation of the Company, and all such meetings were duly called and held;
 - (n) the Company does not operate or engage in any business activities, operations or management of any nature or kind whatsoever other than the Company's Business;
 - (o) except as expressly referred to in the Company's Financial Statements,

- (i) the Company does not have any outstanding bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever and the Company is not bound under any agreement to create, issue or incur any bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever; and
 - (ii) the Company is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (p) all Tax Returns required to be filed prior to the date hereof by or on behalf of the Company or the Subsidiary have been duly filed on a timely basis and such Tax Returns are true, complete and correct in all material respects. All Taxes shown to be payable on the Tax Returns or on subsequent assessments or reassessments with respect thereto have been paid in full or objected to on a timely basis, and no other Taxes are payable by the Company with respect to items or periods covered by such Tax Returns;
- (q) the Company has paid or provided adequate accruals in the Company's Financial Statements for Taxes, including income taxes and related future taxes, in conformity with U.S. GAAP;
- (r) (i) no deficiencies exist or have been asserted with respect to Taxes of the Company; (ii) the Company is not a party to any action or proceeding for assessment or collection of Taxes, nor has such event been asserted or threatened against the Company or any of its assets which, if successful, would constitute (alone or together with other adverse changes) a Material Adverse Change; (iii) no waiver or extension of any statute of limitations is in effect with respect to Taxes or Tax Returns of the Company; and (iv) the Tax Returns of the Company have never been audited by a government or taxing authority, nor is any such audit in process, pending or threatened;
- (s) except as set out in the Global NV Disclosure Letter, the Company has withheld and remitted all amounts required to be withheld and remitted by it in respect of any Taxes, governmental charges or assessments in respect of any taxable year or portion thereof;
- (t) there are no actions, suits or other proceedings, investigations or claims in progress or pending and, to the best of the Company's belief and knowledge, there are no actions, suits or other proceedings or investigations or claims threatened, against the Company in respect of any Taxes, governmental charges or assessments. No waivers have been filed by the Company with any taxing authority;
- (u) except as set out in the Global NV Disclosure Letter, the Company is conducting and has always conducted the Company's Business in substantial compliance with all applicable laws, rules and regulations of each jurisdiction in which the Company's Business is carried on, is not currently in breach of any such laws, rules or regulations and is duly licensed, registered or qualified, in each jurisdiction in which the Company owns or leases property or carries on the Company's Business, to enable the Company's Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licences, registrations and qualifications are valid and subsisting and in good standing and none of the same contains any burdensome term, provision, condition or limitation which has or may have an adverse effect on the operation of the Company's Business;
- (v) the Company has performed all obligations required to be performed by it, and is not in default under any indenture, mortgage, deed of trust, voting trust agreement, loan agreement, bond, debenture, note agreement, lease or other agreement or instrument (individually, a "**Contract**" and collectively, "**Contracts**") to which it is a party or by which its property is bound or affected. To the best knowledge of the Company, no other party under any Contract to which it is a party is in default in any respect thereunder or has given written, or, to the knowledge of the officers and

directors of the Company, oral, notice to the Company or any of its officers or directors of such other party's intention to terminate, cancel or refuse to renew any Contract.

- (w) other than the consents and approvals required to be obtained by the Company and the Global NV Shareholders pursuant to section 5.2(i) hereof, no consent, licence, approval, order or authorization of, or registration, filing or declaration with any governmental authority that has not been obtained or made by the Company or the Global NV Shareholders and no consent of any Third Party is required to be obtained by the Company in connection with the execution, delivery and performance by the Company and the Global NV Shareholders of this Agreement or the consummation of the Transaction as contemplated hereby. To the best of the Company's knowledge the transfer of the Global NV Shares to the Purchaser will not result in the loss of any regulatory consent, licence, approval, order, authorization or registration materially benefiting the Company;
- (x) no employee has made any claim or, to the best of the Company's and the Global NV Shareholders' knowledge, has any basis for any action or proceeding against the Company arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or worker's compensation;
- (y) the Company has not made any agreements with any labour union or employee association nor made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future agreements;
- (z) no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the employees or the Company by way of certification, interim certification, voluntary recognition, designation or successor rights;
- (aa) unless disclosed in the Company's Financial Statements, there is no action, lawsuit, claim, proceeding, or investigation pending or, to the best knowledge of the Company, threatened against, relating to or affecting the Company before any court, government agency, or any arbitrator of any kind. The Company is not aware of any existing ground on which any such proceeding might be commenced with any reasonable likelihood of success; and there is not presently outstanding against the Company any judgment, decree, injunction, rule or order of any court, governmental agency, or arbitrator relating to or affecting the Company or the Company's Business;
- (bb) there is not now outstanding any arrangement (contractual or otherwise) between the Company and any Person which will or may be, terminated or, to the best of the knowledge of the Company prejudicially affected as a result of the Global NV Shareholders' transfer and sale of the Global NV Shares to the Purchaser as contemplated herein;
- (cc) except as contemplated by this Agreement, there is no non-competition, exclusivity, area of mutual interest or other similar agreement, commitment or understanding in place, whether written or oral, to which the Company or, to the knowledge of the Company, any director, officer, employee or consultant or any affiliate of such persons is a party or is otherwise bound that would now or hereafter, in any way limit the business or operations of the Company; (i) in a particular manner or to a particular locality or geographic region; or (ii) for a limited period of time;
- (dd) except as set out in the Global NV Disclosure Letter, to the best knowledge and belief of the Company, the Company is not in material violation of any applicable federal, state, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters;

- (ee) except as set out in the Global NV Disclosure Letter, policies of insurance in force as of the date hereof naming the Company as an insured adequately cover all risks reasonably and prudently foreseeable in the operation and conduct of the Company's Business. All such policies of insurance shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the Transaction as contemplated hereby;
- (ff) no representation or warranty made by the Company in this Agreement, and no statement made in any schedule, exhibit, certificate or other document furnished pursuant to this Agreement, contains, or will contain, any untrue statement of a Material Fact or omits, or will omit, to state any Material Fact necessary to make such representation or warranty or any such statement not misleading. The Company does not know of any fact which, if known to the Company, would deter them from consummating the transactions contemplated herein;
- (gg) the Company has at all times complied with all applicable laws relating to the collection, retention, use and disclosure of personal information. The Company has obtained all consents required by law relating to the collection, retention, use and disclosure of all personal information collected, retained, used or disclosed in the course of their respective businesses;
- (hh) no investigations made by or on behalf of the Company at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made to the Purchaser herein or pursuant hereto. No waiver by the Company of any condition, in whole or in part, shall operate as a waiver of any other condition;
- (ii) except as set out in the Global NV Disclosure Letter, the Company owns, is licensed or otherwise has adequate rights to use Company technology (including, without limitation, patented, patentable and unpatented inventions and unpatentable proprietary or confidential information, systems or procedures), designs, processes, trademarks, trade secrets, know how, copyrights and other works of authorship, computer programs and technical data and information (collectively, "**Intellectual Property**") that are or could reasonably be expected to be material to its business as currently conducted or as currently proposed to be conducted. The Company has not received any threat of or notice of infringement of or conflict with asserted rights of others with respect to any Intellectual Property. There are no third parties who have or, to the knowledge of the Company, will be able to establish rights to any Intellectual Property owned by, or licensed to, the Company, except for, and to the extent of, the ownership rights of the owners of the Intellectual Property which is licensed to the Company; (ii) there is no infringement by third parties of any Intellectual Property owned by, or licensed to, the Company; (iii) there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the Company's rights in or to any Intellectual Property owned by, or licensed to, the Company, and the Company is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim; (iv) there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the validity, enforceability or scope of any Intellectual Property owned by, or licensed to, the Company, and the Company is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim; (v) there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others that (nor has the Company received any claim from a third party that) the Company infringe or otherwise violate any patent, trademark, tradename, service name, copyright, trade secret or other proprietary rights of others, and the Company are unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim; (vi) the Company have complied with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Company, and all such agreements are in full force and effect; (vii) there is no patent or patent application that contains claims that interfere with the issued or pending claims of any of the Intellectual Property or that challenges the validity, enforceability or scope of any of the Intellectual Property; (viii) there is no prior art that may render any patent application within the Intellectual Property unpatentable that has not been disclosed to the U.S. Patent and Trademark Office. Except as set forth in the Global NV Disclosure Letter, the Company is not obligated or

under any liability whatsoever to make any material payment by way of royalties, fees or otherwise to any owner or licensee of, or other claimant to, any Intellectual Property, with respect to the use thereof or in connection with the conduct of their respective businesses or otherwise; and

- (jj) except as set out in the Global NV Disclosure Letter, there are no business relationships or related party transactions involving the Company or any other person. Without limiting the generality of the immediately preceding sentence, no relationship, direct or indirect, exists between or among the Company on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company on the other hand.

3.3 **Representations, Warranties and Covenants of the Global NV Shareholders.** Each of the Global NV Shareholders hereby severally represents and warrants to the Purchaser with respect to the Global NV Shares held by the Global NV Shareholder, that:

- (a) the Global NV Shareholder is the registered and beneficial owners of the Global NV Shares and holds the Global NV Shares in the proportions set forth in **Schedule "A"** hereto, free and clear of all liens, charges, pledges, security interests, demands, adverse claims, rights or any other encumbrances whatsoever and, except as disclosed to the Purchaser, no Person has any right, option, agreement or arrangement capable of becoming an agreement for the acquisition of the Shareholder's Global NV Shares or any interest therein from such Global NV Shareholder;
- (b) the Global NV Shareholder has the full legal capacity and corporate power to enter into this Agreement and to take, perform or execute all proceedings, acts and instruments necessary or advisable to consummate the other actions and transactions contemplated in this Agreement and to fulfil the Global NV Shareholder's respective obligations under this Agreement;
- (c) this Agreement has been duly executed and delivered by the Global NV Shareholder and this Agreement constitutes a legal, valid and binding obligation of the Global NV Shareholder enforceable against the Global NV Shareholder in accordance with its terms, except as such terms may be limited by bankruptcy, insolvency, re-organization or other laws relating to the enforcement of creditors' rights generally;
- (d) neither the execution, nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with and fulfilment of the terms and provisions of this Agreement will:
 - (i) conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under:
 - (1) any of the constating documents or by-laws of a Global NV Shareholder (in the case of non-individual Global NV Shareholder); or
 - (2) any instrument, agreement, mortgage, judgment, order, award, decree or other instrument or restriction to which a Global NV Shareholder is a party or by which the Global NV Shareholder is bound; or
 - (ii) require any affirmative approval, consent, authorization or other order or action by any court, governmental authority or regulatory body or by any creditor of a Global NV Shareholder, or any party to any agreement to which a Global NV Shareholder is a party or by which a Global NV Shareholder is bound, except as shall have been obtained prior to Closing;
- (e) the Global NV Shareholder shall give consent (and provide such other reasonable assurances as may be required) and use best efforts to obtain (including the provision of such reasonable

assurances as may be required), consents of all other Persons to the Transaction as contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction; and

- (f) the Global NV Shareholder agrees to enter into such other agreements as may be necessary to effect the Transaction in reliance upon Section 2.11 *Business combination and reorganization* and/or Section 2.16 *Take-over bid and issuer bid* of National Instrument 45-106 Prospectus Exemptions.

- 3.4 **Survival of Representations and Warranties.** Each party acknowledges that the others may rely on the representations and warranties made by such party pursuant to Sections 3.1, 3.2 and 3.3, as the case may be. The representations and warranties in Sections 3.1, 3.2 and 3.3 shall be true as at the date hereof and on the Closing Date, and such representations and warranties shall continue in full force and effect and shall survive the Closing Date for the Survival Period applicable thereto, for the benefit of the party for which such representations and warranties were made. However, no claim or action shall be commenced with respect to misrepresentation or breach of warranty, unless, within the Survival Period applicable thereto, written notice specifying such misrepresentation or breach of warranty in reasonable detail has been provided to the party which made such representation or warranty.

ARTICLE 4 - COVENANTS

- 4.1 **General Covenants of the Purchaser.** The Purchaser covenants and agrees that, unless otherwise contemplated herein, the Purchaser shall:

- (a) in consultation with the Company, the Global NV Shareholders and their counsel, prepare and file the Prospectus prepared in accordance with the CSE rules and rules and policies of the Commissions, all in accordance with applicable laws;
- (b) give its consent (and provide such other reasonable assurances as may be required) and use its best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (c) upon the Purchaser receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the solicitors for the Company;
- (d) in consultation with the Company and its counsel, forthwith use its best efforts to obtain all necessary regulatory approvals and to make application to the CSE for listing of the CBD Shares issuable in connection with the Transaction following the Closing, and shall assist in making all submissions, prepare all press releases and circulars and make all notifications required with respect to this transaction and the issuance of CBD Shares as contemplated hereunder;
- (e) take all steps necessary to make proper disclosure within such time as required by any regulatory authority, and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;
- (f) use its best efforts to obtain status as a reporting issuer in each of Alberta and British Columbia;
- (g) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article 5 to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using its reasonable commercial efforts to:

things necessary, proper or advisable under all applicable laws to complete the Transaction, including using its reasonable commercial efforts to:

- (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;
 - (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either party before governmental entities in connection with the Transaction;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affecting the ability of the parties to consummate, the transactions contemplated hereby or by the Transaction;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with the other party to this Agreement in connection with the performance by it of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (h) the Purchaser agrees to incorporate MergeCo, and enter into such other agreements as may be necessary to effect the Transaction in reliance upon Section 2.11 *Business combination and reorganization* and/or Section 2.16 *Take-over bid and issuer bid* of National Instrument 45-106 *Prospectus Exemptions*;
- (i) provided that the applicable requirements are met, validly issue the CBD Shares hereunder as fully paid, non-assessable and, except for resale restrictions imposed by the applicable securities laws, including section 2.6 *Seasoning Period* of National Instrument 45-102 *Resales of Securities*, and the escrow requirements imposed by the Exchange, free and clear of all mortgages, liens, charges, security deposits, adverse claims, pledges, encumbrances, rights, privileges and demands whatsoever;
- (j) prior to the Closing Date, the Purchaser shall not issue any additional securities; and
- (k) the Purchaser will make any filings required under applicable securities laws within the prescribed time periods related to the issuance of the CBD Shares issued as the Consideration.

4.2 General Covenants of the Company. The Company hereby covenants and agrees that, unless otherwise contemplated herein:

- (a) the Company shall assist with the preparation and filing of the Prospectus prepared in accordance with CSE rules and the rules and policies of the Commissions;
- (b) the Company shall, during the Interim Period, preserve intact as a going concern its business organization and goodwill, and shall keep available the services of its officers and employees as a group and shall maintain its business relationships;

- (c) the Company shall give its consent (and provide such other reasonable assurances as may be required) and use its respective best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the Transaction as contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (d) the Company shall use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article 5 to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction as contemplated hereby, including using its reasonable commercial efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;
 - (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either party before governmental entities in connection with the Transaction;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affecting the ability of the parties to consummate, the transactions contemplated hereby or by the Transaction;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with the other parties to this Agreement in connection with the performance by it of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (e) the Company agrees to enter into such other agreements as may be necessary to effect the Transaction in reliance upon Section 211 *Business combination and reorganization* and/or Section 2.16 *Take-over bid and issuer bid* of National Instrument 45-106 *Prospectus Exemptions*;
- (f) the Company shall not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which the Company may become liable on or after the completion of the Transaction as contemplated by this Agreement, except as set out in the Company's Financial Statements, and except for those transactional costs incurred prior to Closing, which will be disclosed in writing to the Purchaser prior to Closing;
- (g) the Company shall file, duly and timely, all Tax Returns required to be filed by it and pay promptly all Taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing; and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any Tax Return or the payment or assessment of any Tax, governmental charge or deficiency;
- (h) during the Interim Period, the Company shall not issue any securities, including but not limited to options, rights or entitlements to acquire shares of the Company; and

- (i) the Company shall neither declare nor pay any dividends or other distributions or returns of capital on any class of shares from the date of this Agreement until the Closing Date.

ARTICLE 5 - CONDITIONS TO CLOSING

5.1 **Conditions Precedent to Obligations of Global NV Shareholders.** The obligations of the Global NV Shareholders to complete the Transaction as contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Closing Date (or such other date as specified below), each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of the Global NV Shareholders, and may be waived in whole or in part on or before the Closing Date):

- (a) all of the representations and warranties of the Purchaser made in or pursuant to this Agreement, shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business); and the Global NV Shareholders shall have received certificates dated the Closing Date in form satisfactory to the Global NV Shareholders and its solicitors, acting reasonably, signed by a senior officer or director of the Purchaser on behalf of the Purchaser, certifying the truth and correctness in all material respects of the representations and warranties of the Purchaser set out in this Agreement;
- (b) the Purchaser will have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (c) at the Closing Date, there shall have been no material adverse change in the condition (financial or otherwise), properties, assets, liabilities, earnings, or business operations or prospects of the Purchaser from that shown on or reflected in the Purchaser's Financial Statements;
- (d) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by the Purchaser in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date;
- (e) the Purchaser seek to become a reporting issuer in good standing in the Provinces of Alberta and Ontario and neither the Purchaser nor its shares shall be the subject of any cease trade order or regulatory enquiry or investigation in any jurisdiction;
- (f) prior to Closing, the Purchaser shall have authorized the CBD Preferred Shares with the terms as set forth on **Schedule "C"**;
- (g) during the Interim Period, the Purchaser shall not have (i) permitted any of its agents, directors, officers, employees or representatives to solicit, discuss, encourage or accept (directly or indirectly) an offer for the business or assets of the Purchaser; or (ii) entered into any transaction or contract relating to the financial and/or operating condition, or the assets, of CBD, excluding those transactions provided for herein and those transactions undertaken in the ordinary course of business, without first discussing and obtaining the approval of the Company, not to be unreasonably withheld;
- (h) during the Interim Period, there shall have been no material adverse changes in the business affairs or financial condition of the Purchaser, except as may result from transactions contemplated by this Agreement;

- (i) prior to or concurrent with Closing, all directors of the Purchaser shall resign from their offices effective as of the Closing, and four nominees of the Company shall be appointed as directors of the Purchaser;
- (j) prior to or concurrent with Closing, options to purchase CBD Shares shall be granted to the continuing employees of the Company's Business, in such number and at such price as is acceptable to the Company;
- (k) prior to or concurrent with Closing, the Purchaser shall conduct business under the name "**CBD Global Sciences**", or such other name as may be acceptable to the Company; and
- (l) the Purchaser shall deliver, or cause to be delivered to the Company on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by the Global NV Shareholders or its solicitors, acting reasonably, to give full effect to this Agreement including, but not limited to, releases executed by each director and officer of the Purchaser who will resign prior to or concurrent with Closing.

5.2 **Conditions Precedent to Purchaser's Obligations.** The obligations of the Purchaser to complete the Transaction as contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Closing Date (or such other date as specified below), each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of the Purchaser, and may be waived by it in writing, in whole or in part, on or before the Closing Date):

- (a) the Purchaser shall on or before the Closing Date have from the Company and the Global NV Shareholders received all other documents and instruments as the Purchaser may reasonably request for the purpose of effecting the Transaction in accordance with the terms of this Agreement;
- (b) the Purchaser shall be satisfied that, upon Closing, all regulatory requirements have been or are capable of being satisfied, including satisfaction of the Minimum Listing Requirements of the CSE and any other requirement of the CSE;
- (c) the representations, warranties and covenants of the Company and the Global NV Shareholders made in or pursuant to this Agreement, shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business); and the Purchaser shall have received a certificate of the Company and the Global NV Shareholders dated the Closing Date in form satisfactory to the Purchaser's solicitors, acting reasonably, certifying the truth and correctness in all material respects of the representations, warranties and covenants of the Company and the Global NV Shareholders set out in this Agreement;
- (d) the Company and the Global NV Shareholders shall have performed and complied with all agreements and conditions required by this Agreement to be performed and complied with by them prior to or on the Closing Date;
- (e) there shall be a total of 10,191,550 Global NV Shares issued and outstanding and, except for the shares of the Company to be issued pursuant to the exercise of the Global NV Notes and the Global NV Warrants, no other shares issued and outstanding and there shall be no other shares of any class or series and no other options, rights, warrants, instruments or entitlements exercisable into any class of shares of the Company;
- (f) the Purchaser shall have received favourable legal opinions respecting the shares of the Company;

- (g) at the Closing Date, there shall have been no material adverse change in the condition (financial or otherwise), properties, assets, liabilities, earnings, or business operations or prospects of the Company from that shown on or reflected in the Company's Financial Statements;
- (h) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by the Company in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date, except for any applicable securities laws filings which may be made after the Closing;
- (i) the Purchaser receiving the Company's Financial Statements and such other financial statements as may be required by the CSE;
- (j) prior to Closing, the CSE shall have provided its approval or conditional approval of the Transaction;
- (k) at the time of Closing, the Company shall have working capital sufficient to satisfy all contingent liabilities;
- (l) at the time of Closing, there shall be no outstanding matters of litigation against any of the Company or the Global NV Shareholders that are, in the sole opinion of the Company, acting reasonably, material to any of the foregoing parties;
- (m) at the time of Closing, delivery by the Company of any changes, if any, to lists of material assets and material contracts previously provided by the Company or the Global NV Shareholders;
- (n) during the Interim Period, the Company shall not have (i) permitted any of its agents, directors, officers, employees or representatives to solicit, discuss, encourage or accept (directly or indirectly) an offer for the business or assets of the Company; or (ii) entered into any transaction or contract relating to the financial and/or operating condition, or the assets, of the Company, excluding those transactions provided for herein and those transactions undertaken in the ordinary course of business, without first discussing and obtaining the approval of the Purchaser, not to be unreasonably withheld;
- (o) other than those transactions specifically provided herein, during the Interim Period, the Company shall not have declared or paid any dividends or have made any distributions of its properties or assets, other than in the ordinary course and consistent with past practice, without the prior written consent of the Purchaser, which shall not be unreasonably withheld;
- (p) during the Interim Period, the Company shall have maintained insurance coverage in respect of its operations in amounts not less than industry standards and such policies shall remain in force and shall not be cancelled or otherwise terminated as a result of the Transaction as contemplated hereby;
- (q) during the Interim Period, the Company's Business shall have been conducted in the ordinary course, except as otherwise contemplated by this Agreement; and
- (r) during the Interim Period, there shall have been no material adverse changes in the business, affairs or financial condition of the Company, except as may result from transactions contemplated by this Agreement.

- 5.3 **Failure to Satisfy Conditions.** If any of the conditions in Sections 5.1 or 5.2 has not been satisfied at or before April 30, 2019 or such later date as agreed to by CBD and the Company and such condition has not been waived by the party for the benefit of which such condition has been included, such party may terminate this Agreement pursuant to Section 7.1 hereof by written notice to the other party prior to the Closing.

ARTICLE 6 - LIABILITY AND INDEMNIFICATION

- 6.1 **Responsibility of the Company.** Subject to the limitations set forth herein, the Company shall:

- (a) be liable to the Purchaser, its affiliates and their respective directors, officers, servants, agents, advisors and employees for all losses, costs, damages (excluding consequential damages), expenses, charges, fines, penalties, assessments or other liabilities whatsoever which any one or more of them may suffer, sustain, pay or incur; and
- (b) indemnify and save harmless the Purchaser, its affiliates and their respective directors, officers, servants, agents, advisors and employees from and against all losses, costs, damages (excluding consequential damages), expenses, charges, fines, penalties, assessments or other liabilities whatsoever which may be brought against or suffered by any one or more of them or which any one or more of them may sustain, pay or incur;

as a direct result of any matter or thing arising out of, resulting from, attributable to or connected with any Purchase Agreement Default made by the Company herein or by the Company in any document delivered at Closing by the Company, but any such claim for indemnification shall only be considered if a written notice specifying the Purchase Agreement Default in reasonable detail is delivered by the Purchaser to the Company prior to the expiry of the Survival Period applicable to such Purchase Agreement Default.

- 6.2 **Responsibility of Purchaser.** Subject to the limitations set forth herein, the Purchaser shall:

- (a) be liable to each Global NV Shareholder for all losses, costs, damages (excluding consequential damages), expenses, charges, fines, penalties, assessments or other liabilities whatsoever which any one or more of them may suffer, sustain, pay or incur; and
- (b) indemnify and save the Global NV Shareholders harmless from and against all losses, costs, damages (excluding consequential damages), expenses, charges, fines, penalties, assessments or other liabilities whatsoever which may be brought against or suffered by any one or more of them or which any one or more of them may sustain, pay or incur;

as a direct result of any matter or thing arising out of, resulting from, attributable to or connected with any Purchase Agreement Default made by the Purchaser herein or in any document delivered at Closing, but any such claim for indemnification shall only be considered if a written notice specifying the Purchase Agreement Default in reasonable detail is delivered by the Global NV Shareholders to the Purchaser prior to the expiry of the Survival Period, if any, applicable to such Purchase Agreement Default.

- 6.3 **Responsibility Extends to Legal Costs and Settlements.** Notwithstanding any provision to the contrary contained in this Article, references to costs in the liability and indemnification obligations prescribed by Sections 6.1 and 6.2 shall be deemed to include legal and other professional fees and disbursements on a full indemnity basis, and shall extend to settlements, satisfactions or other compromises with respect to claims by third Persons for losses, costs, damages, expenses, charges, fines, penalties, assessments or other liabilities.

- 6.4 **Limitations.** Notwithstanding anything herein to the contrary:

- (a) The indemnities provided in Sections 6.1 and 6.2 shall not apply to the extent that claims for losses, costs, damages (excluding consequential damages), expenses, charges, fines, penalties, assessments or other liabilities are reimbursed to the indemnified party by insurance or caused by the negligence, willful default or misconduct of the Persons claiming indemnity;
 - (b) If claims for losses, costs, damages (excluding consequential damages), expenses, charges, fines, penalties, assessments or other liabilities of Persons claiming indemnity at any time subsequent to the making of an indemnity payment are reduced by any tax benefit or recovery, the amount of such reduction, together with interest thereon from the date of payment thereof, shall promptly be repaid by the Person claiming indemnity to the indemnifying party; and
 - (c) The indemnities provided in Sections 6.1 and 6.2 shall not apply to any claims for indirect, consequential or punitive damages and any party attempting to claim under the indemnities provided in Sections 6.1 and 6.2 must utilize commercially reasonable efforts to mitigate the amount of any such claim.
- 6.5 **Procedure – Indemnities.** Any Person seeking indemnification as payment under this Article shall give reasonably prompt notice thereof to the party from whom indemnification is sought. The party from whom indemnification is sought shall have the sole right to conduct, settle or otherwise dispose of any legal action in respect of which indemnification is sought in any manner it deems appropriate without the consent of the other party if, but only if, it has agreed that the matters in the action are indemnified pursuant to Sections 6.1 and 6.2. If the party from whom indemnification is sought pays the indemnified amount to the other party seeking indemnification, the paying party shall not be responsible for any costs described in Section 6.3 incurred after such payment.
- 6.6 **No Merger of Legal Responsibilities.** The liabilities and indemnities created in this Article shall be deemed to apply to, and shall not merge in, all assignments, transfer and other documents conveying any of the Global NV Shares to the Purchaser, notwithstanding the terms of such assignments, transfers, conveyances, novations and other documents, applicable law or any rule of law or equity to the contrary, and all such rules are hereby waived.

ARTICLE 7 - TERMINATION

- 7.1 **Grounds for Termination.** This Agreement may be terminated prior to the Closing Date:
- (a) by the mutual written agreement of the Global NV Shareholders and the Purchaser;
 - (b) in accordance with Section 5.3 by the party and in the circumstances contemplated thereby; or
 - (c) by the Company, Global NV Shareholders or the Purchaser if the consummation of such transactions would violate any non-appealable final order, decree or judgment of any court or governmental body having competent jurisdiction;

provided that, notwithstanding anything to the contrary express or implied herein, a party shall not be allowed to exercise any right of termination pursuant to this Section 7.1 if the event giving rise to such right is due to a Purchase Agreement Default by such party.

ARTICLE 8 - GENERAL

- 8.1 **Confidentiality & Public Notices.** Except as may be required by law or the CSE, no public disclosure of the transactions contemplated hereby will be made by the Company or any of the Global NV Shareholders without consent and approval of the Purchaser or by the Purchaser without the consent and approval of the Company. The Company and the Purchaser agree to cooperate in connection with all publicity and press releases relating to the transactions contemplated by this Agreement. The Purchaser, the Company and the

Global NV Shareholders shall maintain the confidentiality of any information received from each other in connection with the transactions contemplated by this Agreement that is not otherwise generally available to the public ("**Confidential Information**") for a period of one year following the termination of this Agreement. In the event that the Transaction as contemplated in this Agreement is not consummated, each party shall return any confidential schedules, documents or other written information to the party who provided same in connection with this Agreement. The Company and the Global NV Shareholders agree that they will not, directly or indirectly, make reciprocal use for their own purposes of any information or confidential data relating to the Purchaser or the Purchaser's Business discovered or acquired by them, their representatives or accountants as a result of the Purchaser making available to them, their representatives and accountants, any information, books, accounts, records or other data and information relating to the Purchaser or the Purchaser's Business and the Company and the Global NV Shareholders agree that they will not disclose, divulge or communicate orally, in writing or otherwise, any such information or confidential data so discovered or acquired to any other Person. The Purchaser agrees that it will not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to the Company or the Global NV Shareholders discovered or acquired by it, its representatives or accountants as a result of the Company or the Global NV Shareholders making available to it, any information, books, accounts, records or other data and information relating to the Company and the Purchaser agrees that it will not disclose, divulge or communicate orally, in writing or otherwise, any such information or confidential data so discovered or acquired to any other Person. Notwithstanding the foregoing, it is hereby acknowledged and agreed to by the Company and the Global NV Shareholders that: (i) the Purchaser or its representatives shall be at liberty to disclose any Confidential Information in the course of complying with applicable laws, regulations or the requirements of any lawful authority; and (ii) nothing in this Section 8.1 shall prevent the Purchaser from entering into a business of a similar nature to the business presently or hereafter conducted by the Company.

- 8.2 **Notices.** All notices or other communications required to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail or by transmittal by telecopier or other form of recorded communication addressed to the recipient as follows:

To the Company:

Global NV Corp.
225 Union Blvd., #350
Lakewood, CO 80228

Attention: Brad Wyatt
Email: brad.wyatt@aethics.com

with a copy to:

Robert Hopp
P.O Box 955
Littleton, CO 80160

Email: r.hopp@denalilawfirm.com

To CBD:

CBD Global Sciences Inc.
c/o 1250, 639 – 5 Avenue SW
Calgary, Alberta T2P 0M9

Attention: Kelly Balaberda, President & CEO
Email: kbalaberda@hotmail.com

with a copy to:

TingleMerrett LLP
1250, 639 – 5th Avenue S.W.
Calgary, Alberta T2P 0M9

Attention: Scott Reeves
Email: sreeves@tinglemerrett.com

To the Global NV Shareholders at their respective addresses as set out in **Schedule "A"** attached hereto or as otherwise specified in writing by the Global NV Shareholders,

or to such other address, telecopier number or individual as may be designated by notice given by either party to the other. Any such communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth (5th) Business Day following the deposit thereof in the mail and, if given by telecopier or other form of recorded communication, shall be deemed given and received on the date of such transmission if received during the normal business hours of the recipient and on the next Business Day if it is received after the end of such normal business hours on the date of its transmission. If the party giving any such communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such communication shall not be mailed but shall be given by personal delivery or by telecopier transmittal.

8.3 **Expenses.** Except as otherwise provided herein, the costs and expenses of the Transaction will be apportioned in the follow manner:

- (a) the Purchaser shall be responsible for its own legal, accounting, consulting and other fees with respect to the Transaction as contemplated herein including, but not limited to, the costs and expenses arising from:
 - (i) the preparation of any required financial statements of the Purchaser;
 - (ii) the preparation, filing and clearing of the Prospectus, except for the portions of the Prospectus relating to the Company and the "**Resulting Issuer**";
 - (iii) the filing fees payable to the CSE and other securities regulatory authorities in connection with its review of the Transaction; and
 - (iv) payment of any commissions, finder's fee or other fees payable (including those incurred by the Company or the Global NV Shareholders, if any).
- (b) the Company shall be responsible for its own legal, accounting, consulting and other fees with respect to the Transaction as contemplated herein including, but not limited to, the following costs and expenses arising from:

- (i) the preparation and audit (if required) of the Company's Financial Statements and any other financial statement as may be required by the CSE;
 - (ii) the preparation, filing and clearing of the portions of the Prospectus relating to the Company and the "Resulting Issuer"; and
 - (iii) any further qualifying report, or other reports and studies, and any amendments thereto required by the CSE or any applicable securities commission or similar regulatory authority.
- (c) Each of the Global NV Shareholders shall be responsible for its own legal, accounting, consulting and other fees with respect to the Transaction as contemplated herein.

8.4 **Time of the Essence.** Time shall be of the essence hereof.

8.5 **Further Assurances.** The parties hereto shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall execute and deliver such further documents, instruments, papers and information as may be reasonably requested by another party hereto in order to carry out the purpose and intent of this Agreement.

8.6 **Law and Jurisdiction.** This Agreement shall be governed by, and construed and enforced in accordance with, the applicable laws, other than conflict of laws rules, prevailing in the Province of Alberta. The Parties hereto do hereby irrevocably:

- (a) submit and attorn to the non-exclusive jurisdiction of the Courts of the Province of Alberta for all matters arising out of or relating to this Agreement, or any of the transactions contemplated hereby;
- (b) waive all right to object to jurisdiction of such Courts in any legal action or proceeding relative to this Agreement or the transactions contemplated hereby or execution of any judgment, order or decree issued in or as a result of any such action, suit or proceeding which they may now or hereafter have by reason of domicile or otherwise;
- (c) waive any objection to the laying of venue in such Courts of any of the aforesaid actions, suits or proceedings arising out of or in connection with this Agreement or the transactions contemplated hereby;
- (d) waive and agree not to plead or claim that any action, suit or proceeding in such Courts has been brought in an inconvenient forum; and
- (e) waive any right they may have to, or to apply for, trial by jury in connection with any matter, action, proceeding, claim or counterclaim arising out of or relating to this Agreement or any of the transactions contemplated hereby.

8.7 **Counterparts.** For the convenience of the parties, this Agreement may be executed in several counterparts, each of which when so executed shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument (and notwithstanding their date of execution shall be deemed to bear date as of the date of this Agreement). A signed facsimile or PDF copy of this Agreement shall be effective and valid proof of execution and delivery.

8.8 **Entire Agreement.** This Agreement, including the Schedules attached hereto, together with the agreements and other documents to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties (including but not limited to the Letter Agreement) and

there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein and therein. This Agreement may not be amended or modified in any respect except by written instrument signed by all parties.

- 8.9 **Joint and Several.** Without limiting or affecting any other provisions of this Agreement, all obligations, covenants, agreements and liabilities of the Global NV Shareholders, in their capacity as Global NV Shareholders, are several as to each Global NV Shareholder and are not joint and are not joint and several except as otherwise stated herein.
- 8.10 **Severability.** The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein contained, and this Agreement shall be construed as if such invalid or unenforceable provision or covenant were omitted.
- 8.11 **Enurement.** This Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors and permitted assigns of the parties hereto.
- 8.12 **Waivers.** The parties hereto may, by written agreement:
- (a) extend the time for the performance of any of the obligations or other acts of the parties hereto;
 - (b) waive any inaccuracies in the warranties, representations, covenants or other undertakings contained in this Agreement or in any document or certificate delivered pursuant to this agreement; or
 - (c) waive compliance with or modify any of the warranties, representations, covenants or other undertakings or obligations contained in this Agreement and waive or modify performance by any of the parties thereto.
- 8.13 **Form of Documents.** All documents to be executed and delivered by the Purchaser to the Company and/or the Global NV Shareholders on the Closing Date shall be in form and substance satisfactory to the Company and the Global NV Shareholder, acting reasonably. All documents to be executed and delivered by the Company and the Global NV Shareholders to the Purchaser on the Closing Date shall be in a form and substance satisfactory to the Purchaser, acting reasonably.
- 8.14 **Construction Clause.** This Agreement has been negotiated and approved by counsel on behalf of all parties hereto and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty will not be construed against any party hereto by reason of the authorship of any of the provisions hereof.

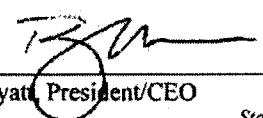
IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

CBD GLOBAL SCIENCES INC.

Per: 

Kelly Balaberda, President

GLOBAL NV CORP.

Per: 

Brad Wyatt, President/CEO

Stock Exchange Agreement
CBD Global/Global NV
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SCHEDULE "A"
GLOBAL NV SECURITYHOLDERS AND NUMBER OF GLOBAL NV UNITS

Unitholder Name & Address	Country	Number of Units
Glenn Dooley	USA	2,286,792.15
Brad Wyatt	USA	2,303,914.47
Rick & Cindy Wyatt, J/T	USA	250,249.29
John P. McCully Family Trust	USA	125,124.64
Joan Hines	USA	125,124.64
Scott Darnell	USA	1,403,219.65
Everestt, LLC	USA	202,631.00
Kevin Curtis	USA	25,075.57
Michael Donnelly	USA	12,537.79
Susan K. Huebner	USA	12,537.79
Amtoria Holdings, Inc.	Canada	2,532,634.17
SF Investments, LLC	USA	100,302.35
Steven Bathgate	USA	25,075.57
Creekflea, LLC	USA	81,052.40
Jake Wyatt	USA	506,577.50
Rosanne M. Allen	USA	17,325.00
David C. Dooley	USA	8,662.50
William G. Martine	USA	43,363.02
Joan M. Martine	USA	43,363.02
Richard E. Weintraub	USA	8,662.50
Nancy L. Clair	USA	8,662.50
Kimberly J. Weintraub	USA	8,662.50
Brett Nesland	USA	60,000.00
Total		10,191,550.00

GLOBAL NV WARRANTHOLDERS

Global NV Warrantholder Name	Country	Number of Global NV Warrants
Harlan J. Scott (8,663 @ US\$2.00) Expire 10/2/2023	USA	8,663
Nicholas Donaldson (1,125 @ US\$2.00) Expire 10/2/2023	USA	1,125
Richard T. Huebner (54,675 @ US\$2.00) Expire 10/2/2023	USA	54,675
Steven M. Bathgate (43,700 @ US\$2.00) Expire 10/2/2023	USA	43,700
Michael E. Donnelly (80,838 @ US\$2.00) Expire 10/2/2023	USA	80,838
Vicki D.E. Barone (27,000 @ US\$2.00) Expire 10/2/2023	USA	27,000
Anita Dudley (1,000 @ US\$2.00) Expire 10/2/2023	USA	1,000
Andrea Kidd (1,500 @ US\$2.00) Expire 10/2/2023	USA	1,500
GVC Partners LLC (51,500 @ US\$2.00) Expire 10/2/2023	USA	51,500
Harlan J. Scott (17,325 @ US\$1.00) Expire 10/2/2023	USA	17,325
Nicholas Donaldson (2,250 @ US\$1.00) Expire 10/2/2023	USA	2,250
Richard T. Huebner (109,350 @ US\$1.00) Expire 10/2/2023	USA	109,350
Steven M. Bathgate (87,400 @ US\$1.00) Expire 10/2/2023	USA	87,400
Michael E. Donnelly (161,675 @ US\$1.00) Expire 10/2/2023	USA	161,675
Vicki D.E. Barone (54,000 @ US\$1.00) Expire 10/2/2023	USA	54,000
Anita Dudley (2,000 @ US\$1.00) Expire 10/2/2023	USA	2,000
Andrea Kidd (3,000 @ US\$1.00) Expire 10/2/2023	USA	3,000
GVC Partners LLC (103,000,000 @ US\$1.00) Expire 10/2/2023	USA	103,000
TargetPath, LLC (607,876 @ US\$1.00) Expire 07/31/2021	USA	607,876
Everestt, LLC (101,315 @ US\$0.10) Expire 08/31/2023	USA	101,315
Thomas D. Wolf (6,250 @ US\$2.00) Expire 10/02/2021	USA	6,250
Van Wagner Family Partnership (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Robert P. & Lori D. Linehan, JTWROS (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Richard & Sandra Hirsch, JTWROS (10,000 @ US\$2.00) Expire 10/02/2021	USA	10,000
Kimberly Ann Svevo (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Kevin Shields (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
John D. Kucera (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
William B. Deakins (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
RDA Realty, LLC (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Kennith W. Schmidt, Jr. (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Kent J. & Elizabeth A. Lund, JTWROS (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Robert M. Nieder (10,000 @ US\$2.00) Expire 10/02/2021	USA	10,000
William T. & Kristy L. Wyatt, JTWROS (50,000 @ US\$2.00) Expire 10/02/2021	USA	50,000
Michael B. Owens (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Thomas H. & Joy D. Smith (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Jim Bisping (7,500 @ US\$2.00) Expire 10/02/2021	USA	7,500
Rodney D. Cerny (17,500 @ US\$2.00) Expire 10/02/2021	USA	17,500
Joseph F. Bruno (7,500 @ US\$2.00) Expire 10/02/2021	USA	7,500
James D. Mallore (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Salter Investments, LLC (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Richard R. Sabetta (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Robert J. Zappa (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500

Alva Terry Staples (22,500 @ US\$2.00) Expire 10/02/2021	USA	22,500
Todd Burmeister (7,500 @ US\$2.00) Expire 10/02/2021	USA	7,500
Joshua R. Miller (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Claude E. Berreckman, Jr. (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Shane & Katherine Petersen, JTWROS (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Kevin J. Shields (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Kirk Kelp (7,500 @ US\$2.00) Expire 10/02/2021	USA	7,500
Ultimate Investments Corp. (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Scott T. & Sara J. Hope Trust dated 12/23/08 (6,250 @ US\$2.00) Expire 10/02/2021	USA	6,250
Thomas L. Kerstien (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Baolin Ma & Cindy Xin Mao, JTWROS (75,000 @ US\$2.00) Expire 10/02/2021	USA	75,000
Alinga Capital Fund, LP (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Brett Nesland (100,000 @ US\$2.00) Expire 10/02/2021	USA	100,000
Don Stangle (150,000 @ US\$2.00) Expire 10/02/2021	USA	150,000
Cat's Paw Trust (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
David R. Morgan (50,000 @ US\$2.00) Expire 10/02/2021	USA	50,000
Klaus Weisenberger (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Rajnikant N. Patel (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Angela M. Palo (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Fortune Seekers, Inc. (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Jerry W. Peterson (6,250 @ US\$2.00) Expire 10/02/2021	USA	6,250
Margaret M. Bathgate (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Samuel W. Huebner (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Michael S. Barish (50,000 @ US\$2.00) Expire 10/02/2021	USA	50,000
Galakotos Living Trust (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
RealTrust IRA Alternatives, LLC (100,000 @ US\$2.00) Expire 10/02/2021	USA	100,000
Andrew Van Maanen (15,000 @ US\$2.00) Expire 10/02/2021	USA	15,000
David A. Kerr (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
John D. Gibbs (40,000 @ US\$2.00) Expire 10/02/2021	USA	40,000
Bradley Brent & Regan A. Harsin, JTWROS (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Michael E. Donnelly (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Paul Quilkey (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Chad Krull (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Michael R. & Heidi J. Geving, JTWROS (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Jeff P. & Rex H. Ploen, JTWROS (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Brian McMahon (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
William D. Moreland (125,000 @ US\$2.00) Expire 10/02/2021	USA	125,000
H. Leigh Severance (106,250 @ US\$2.00) Expire 10/02/2021	USA	106,250
Kathy Pudelko (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
John Casey & Paula Ray Power, JTWROS (12,500 @ US\$2.00) Expire 10/02/2021	USA	12,500
Eric Baum (22,500 @ US\$2.00) Expire 10/02/2021	USA	22,500
Charles J. & Janet I. Hinn, JTWROS (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Five Points Capital Management, LLC (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Andrew Fox (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Michael Salaman (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Carol Jung Jue (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000
Darren Lampert (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Robert & Cecilia Burrell Trust (5,000 @ US\$2.00) Expire 10/02/2021	USA	5,000

Stephen G. McConahey (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Irwin Lampert (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Rove Group, LLC (25,000 @ US\$2.00) Expire 10/02/2021	USA	25,000
Total		3,314,192

GLOBAL NV CONVERTIBLE NOTES

Global NV Noteholder Name	Country	Number of Global NV Convertible Notes
Thomas D. Wolf (12,500 @ US\$1.00) Expire 10/02/2019	USA	12,500
Van Wagner Family Partnership (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Robert P. & Lori D. Linehan, JTWROS (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Richard & Sandra Hirsch, JTWROS (20,000 @ US\$1.00) Expire 10/02/2019	USA	20,000
Kimberly Ann Svevo (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Kevin Shields (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
John D. Kucera (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
William B. Deakins (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
RDA Realty, LLC (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Kennith W. Schmidt, Jr. (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Kent J. & Elizabeth A. Lind, JTWROS (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Robert M. Nieder (20,000 @ US\$1.00) Expire 10/02/2019	USA	20,000
William T. & Kristy L. Wyatt, JTWROS (100,000 @ US\$1.00) Expire 10/02/2019	USA	100,000
Michael B. Owens (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Thomas H. & Joy D. Smith (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Jim Bisping (15,000 @ US\$1.00) Expire 10/02/2019	USA	15,000
Rodney D. Cerny (35,000 @ US\$1.00) Expire 10/02/2019	USA	35,000
Joseph F. Bruno (15,000 @ US\$1.00) Expire 10/02/2019	USA	15,000
James D. Malloreay (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Salter Investments, LLC (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Richard R. Sabetta (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Robert J. Zappa (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Alva Terry Staples (45,000 @ US\$1.00) Expire 10/02/2019	USA	45,000
Todd Burmeister (15,000 @ US\$1.00) Expire 10/02/2019	USA	15,000
Joshua R. Miller (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Claude E. Berreckman, Jr. (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Shane & Katherine Petersen, JTWROS (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Kevin J. Shields (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Kirk Kelp (15,000 @ US\$1.00) Expire 10/02/2019	USA	15,000
Ultimate Investments Corp. (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Scott T. & Sara J. Hope Trust dated 12/23/08 (12,500 @ US\$1.00) Expire 10/02/2019	USA	12,500
Thomas L. Kerstien (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Baolin Ma & Cindy Xin Mao, JTWROS (150,000 @ US\$1.00) Expire 10/02/2019	USA	150,000
Alinga Capital Fund, LP (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Brett Nesland (200,000 @ US\$1.00) Expire 10/02/2019	USA	200,000
Don Stangle (300,000 @ US\$1.00) Expire 10/02/2019	USA	300,000
Cat's Paw Trust (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
David R. Morgan (100,000 @ US\$1.00) Expire 10/02/2019	USA	100,000
Klaus Weisenberger (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Rajnikant N. Patel (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Angela M. Palo (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000

Fortune Seekers, Inc. (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Jerry W. Peterson (12,500 @ US\$1.00) Expire 10/02/2019	USA	12,500
Margaret M. Bathgate (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Samuel W. Huebner (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Michael S. Barish (100,000 @ US\$1.00) Expire 10/02/2019	USA	100,000
Galakotos Living Trust (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
RealTrust IRA Alternatives, LLC (200,000 @ US\$1.00) Expire 10/02/2019	USA	200,000
Andrew Van Maanen (30,000 @ US\$1.00) Expire 10/02/2019	USA	30,000
David A. Kerr (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
John D. Gibbs (80,000 @ US\$1.00) Expire 10/02/2019	USA	80,000
Bradley Brent & Regan A. Harsin, JTWROS (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Michael E. Donnelly (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Paul Quilkey (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Chad Krull (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Michael R. & Heidi J. Geving, JTWROS (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Jeff P. & Rex H. Ploen, JTWROS (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Brian McMahon (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
William D. Moreland (250,000 @ US\$1.00) Expire 10/02/2019	USA	250,000
H. Leigh Severance (212,500 @ US\$1.00) Expire 10/02/2019	USA	212,500
Kathy Pudelko (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
John Casey & Paula Ray Power, JTWROS (25,000 @ US\$1.00) Expire 10/02/2019	USA	25,000
Eric Baum (55,000 @ US\$1.00) Expire 10/02/2019	USA	55,000
Charles J. & Janet I. Hinn, JTWROS (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Five Points Capital Management, LLC (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Andrew Fox (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Michael Salaman (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Carol Jung Jue (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Darren Lampert (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Robert & Cecilia Burrell Trust (10,000 @ US\$1.00) Expire 10/02/2019	USA	10,000
Stephen G. McConahey (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Irwin Lampert (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Rove Group, LLC (50,000 @ US\$1.00) Expire 10/02/2019	USA	50,000
Total		3,600,000

SCHEDULE "B"

CBD UNIT CONSIDERATION

Shareholder	Common Shares	Preferred Shares ¹	Common Shares Fully Converted
Glenn Dooley	3,018,270	84,157	11,433,970
Brad Wyatt	3,040,870	84,787	11,519,570
Rick & Cindy Wyatt, JTWROS	330,297	9,210	1,251,297
John P. McCully Family Trust	165,148	4,605	625,648
Joan Hines	165,148	4,605	625,648
Scott Darnell	1,852,069	51,640	7,016,069
Everestt, LLC	267,447	7,457	1,013,147
Kevin Curtis	33,097	923	125,397
Michael Donnelly	16,548	461	62,648
Susan K. Huebner	16,548	461	62,648
Amtoria Holdings, Inc.	1,399,063	39,009	5,299,963
Velocity Capital, Ltd.	1,097,033	30,588	4,155,833
Ten17view Consulting, Ltd.	846,654	23,607	3,207,354
SF Investments, LLC	132,386	3,691	501,486
Steven M Bathgate	33,097	923	125,397
Creekflea, LLC	106,979	2,983	405,279
Jake Wyatt	668,617	18,643	2,532,917
Rosanne M. Allen	22,867	638	86,667
David C. Dooley	11,433	319	43,333
William G. Martine	57,234	1,596	216,834
Richard E. Weintraub	11,433	319	43,333
Nancy L. Clair	11,433	319	43,333

¹ Each Preferred Share is convertible into 100 Common Shares

Joan M. Martine	57,234	1,596	216,834
Kimberly J. Weintraub	11,433	319	43,333
Brett Nesland	79,192	2,208	299,992
CBD Global Security Holders	2,500,000	--	2,500,000
Total	15,951,530	375,064	53,457,931

SCHEDULE "C"
PREFERRED SHARE RIGHTS

SCHEDULE "C"

PREFERRED SHARE RIGHTS

SPECIAL RIGHTS AND RESTRICTIONS FOR SERIES A CONVERTIBLE PREFERRED SHARES

1. Number and Designation.

(a) The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) an unlimited number common shares ("***Common Shares***"), and (ii) up to • preferred shares, all of which preferred shares are hereby designated "Series A Convertible Preferred Shares" (the "***Series A Preferred Shares***").

(b) All shares of Series A Preferred Shares shall be identical with each other in all respects. The shares of Series A Preferred Shares shall rank *pari passu* to the Common Shares as to dividends and upon liquidation, as described below. Any amounts herein shall be subject to appropriate adjustments in the event of any stock splits, consolidations or the like.

2. Dividend Rights.

The holder of Series A Preferred Shares (the "***Preferred Holders***") shall have the right to receive dividends, out of any cash or other assets legally available therefor, *pari passu* (on an as converted basis, assuming conversion of all shares of Series A Preferred Shares into Common Shares at the Conversion Ratio) as to dividends and any declaration or payment of any dividend on the Common Shares.

3. Liquidation Rights.

(a) In the event of any Liquidation Event, either voluntary or involuntary, the holders of Series A Preferred Shares and Common Shares shall be entitled to receive the assets of the Corporation available for distribution to shareholders, distributed among the holders of Series A Preferred Shares and Common Shares on a pro rata basis, based on the number of Common Shares and Series A Preferred Shares (on an as converted basis, assuming conversion of all shares of Series A Preferred Shares into Common Shares at the Conversion Ratio) issued and outstanding on the record date .

(b) For purposes of this Section 3, a "***Liquidation Event***" shall mean a liquidation, dissolution or winding up of the Corporation and shall be deemed to be occasioned by, or to include, (i) the acquisition of the Corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation but, excluding any merger effected exclusively for the purpose of changing the domicile of the Corporation); or (ii) a sale of all or substantially all of the assets of the Corporation; unless the Corporation's shareholders of record as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the Corporation's acquisition or sale or otherwise) hold at least 50%

of the voting power of the surviving or acquiring entity; or (iii) any voluntary or involuntary liquidation, dissolution, winding up or other similar proceeding of the Corporation.

4. **Voting Rights.**

(a) The Preferred Holders shall have the right to one vote for each Common Share into which such Series A Preferred Share could then be converted (disregarding the Conversion Restrictions set forth in Section 6), and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Shares, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting and shall be entitled to vote, together with holders of Common Shares, with respect to any question upon which holders of Common Shares have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as converted basis (after aggregating all Common Shares into which Series A Preferred Shares could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law, or by the provisions of paragraph (b) below, Preferred Holders shall vote the Series A Preferred Shares together with the holders of Common Shares as a single class.

(b) In addition to any other rights provided by law, the Corporation shall not amend, alter or repeal the preferences, special rights or other powers of the Series A Preferred Shares or any other provision of the Corporation's constituting documents that would adversely affect the rights of the Preferred Holders, including, without limitation, any increase in the number of shares of Series A Preferred Shares, without the written consent or affirmative vote of the holders of at least 66-2/3% of the then outstanding aggregate number of such Series A Preferred Shares (a "**Super Majority Vote**"), given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class.

5. **Conversion.**

Subject to the Conversion Restrictions set forth in Section 6, Preferred Holders shall have conversion rights as follows (the "**Conversion Rights**"):

(a) Right to Convert. Each Series A Preferred Share shall be convertible, at the option of the Preferred Holder thereof, at any time after the date of issuance of such share at the office of the Corporation or any transfer agent for such shares, into such number of fully paid and nonassessable Common Shares as is determined by multiplying the number of Series A Preferred Shares by the Conversion Ratio applicable to such share, determined as hereafter provided, in effect on the date the Series A Preferred Share is surrendered for conversion. The initial "**Conversion Ratio**" for shares of Series A Preferred Shares shall be 100 Common Shares for each Series A Preferred Share; *provided, however*, that the Conversion Ratio shall be subject to adjustment as set forth in subsections 5(d) and 5(e).

(b) Automatic Conversion. Each Series A Preferred Share shall automatically be converted without further action by the Preferred Holder into Common Shares at the Conversion Ratio immediately upon the earlier of (i) a Liquidation Event, (ii) the date specified by the written consent or affirmative Super Majority Vote of the then outstanding aggregate

number of shares of Series A Preferred Shares or (iii) a Mandatory Conversion pursuant to Section 7.

(c) Mechanics of Conversion. Before any Preferred Holder shall be entitled to convert Series A Preferred Shares into Common Shares, the Preferred Holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for Common Shares, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for Common Shares are to be issued (each, a “**Conversion Notice**”). The Corporation shall (or shall cause its transfer agent to), as soon as practicable thereafter, issue and deliver at such office to such Preferred Holder, or to the nominee or nominees of such holder, a certificate or certificates for the number of Common Shares to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Shares to be converted, and the person or persons entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Shares as of such date.

(d) Adjustments for Distributions. In the event the Corporation shall declare a distribution to holders of Common Shares payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights not otherwise causing adjustment to the Conversion Ratio (a “**Distribution**”), then, in each such case for the purpose of this subsection 5(d), the Preferred Holders shall be entitled to a proportionate share of any such Distribution as though they were the holders of the number of Common Shares into which their shares of Series A Preferred Shares are convertible as of the record date fixed for the determination of the holders of Common Shares entitled to receive such Distribution.

(e) Recapitalizations; Stock Splits. If at any time or from time-to-time, the Corporation shall (i) effect a recapitalization of the Common Shares; (ii) issue Common Shares as a dividend or other distribution on outstanding Common Shares; (iii) subdivide the outstanding Common Shares into a greater number of Common Shares; (iv) consolidate the outstanding Common Shares into a smaller number of Common Shares; or (v) effect any similar transaction or action not otherwise causing adjustment to the Conversion Ratio (each, a “**Recapitalization**”), provision shall be made so that the Preferred Holders shall thereafter be entitled to receive, upon conversion of Series A Preferred Shares, the number of Common Shares or other securities or property of the Corporation or otherwise, to which a holder of Common Shares deliverable upon conversion would have been entitled on such Recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 with respect to the rights of the Preferred Holders after the Recapitalization to the end that the provisions of this Section 5 (including adjustment of the Conversion Ratio then in effect and the number of Common Shares purchasable upon conversion of Series A Preferred Shares) shall be applicable after that event as nearly equivalent as may be practicable.

(f) No Impairment. The Corporation will not, by amendment of its [Articles of Incorporation] or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid

or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 5 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the Preferred Holders against impairment.

(g) No Fractional Shares and Certificate as to Adjustments. No fractional Common Shares shall be issued upon the conversion of any share or shares of Series A Preferred Shares and the number of Common Shares to be issued shall be rounded up to the nearest whole Common Share. Whether or not fractional Common Shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Shares the Preferred Holder is at the time converting into Common Shares and the number of Common Shares issuable upon such aggregate conversion.

(h) Adjustment Notice. Upon the occurrence of each adjustment or readjustment of the Conversion Ratio pursuant to this Section 5, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each Preferred Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any Preferred Holder, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Ratio for Series A Preferred Shares at the time in effect, and (C) the number of Common Shares and the amount, if any, of other property which at the time would be received upon the conversion of a Series A Preferred Share.

(i) Effect of Conversion. All Series A Preferred Shares which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the time of conversion (the "**Conversion Time**"), except only the right of the holders thereof to receive Common Shares in exchange therefor and to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion.

(j) Notices of Record Date. Except as otherwise provided under applicable law, in the event of any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of any class or any other securities or property, or to receive any other right, the Corporation shall mail to each Preferred Holder, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

6. Conversion Limitations.

Before any Preferred Holder shall be entitled to convert the same into Common Shares, the Board of Directors (or a committee thereof) shall designate an officer of the Corporation to determine if any Conversion Limitation set forth in this Section 6 shall apply to the conversion of

Series A Preferred Shares. For the purposes of this Section 6, each of the following is a “**Conversion Limitation**”:

(a) Foreign Private Issuer Protection Limitation: The Corporation will use commercially reasonable efforts to maintain its status as a “foreign private issuer” (as determined in accordance with Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). Accordingly:

(i) 45% Threshold. Except as provided in Section 7, the Corporation shall not effect any conversion of Series A Preferred Shares, and the Preferred Holders shall not have the right to convert any portion of the Series A Preferred Shares, pursuant to Section 5 or otherwise, to the extent that after giving effect to all permitted issuances after such conversions of Series A Preferred Shares, the aggregate number of Common Shares and Series A Preferred Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rules 3b-4 and 12g3-2(a) under the Exchange Act (“**U.S. Residents**”)) would exceed forty five percent (45%) (the “**45% Threshold**”) of the aggregate number of Common Shares and Series A Preferred Shares issued and outstanding after giving effect to such conversions (the “**FPI Protective Restriction**”).

(ii) Conversion Limitations. In order to effect the FPI Protection Restriction, each Preferred Holder will be subject to the 45% Threshold based on the number of Series A Preferred Shares held by such Preferred Holder as of the date of the initial issuance of the Series A Preferred Shares and thereafter at the end of each of the Corporation’s subsequent fiscal quarters (each, a “**Determination Date**”), calculated as follows:

$$X = [(A \times 0.4) - B] \times (C/D)$$

Where on the Determination Date:

X = Maximum Number of Common Shares Available For Issue upon Conversion of Series A Preferred Shares by a Preferred Holder.

A = The Number of Common Shares and Series A Preferred Shares issued and outstanding on the Determination Date.

B = Aggregate number of Common Shares and Series A Preferred Shares held of record, directly or indirectly, by U.S. Residents on the Determination Date.

C = Aggregate number of Series A Preferred Shares held by Preferred Holder on the Determination Date.

D = Aggregate number of all Series A Preferred Shares on the Determination Date.

(iii) Determination of FPI Protective Restriction. For purposes of subsections 6(a)(i) and 6(a)(ii), the Board of Directors (or a committee thereof) shall designate an officer of the Corporation to determine as of each Determination Date: (A) the 45% Threshold and (B) the FPI Protective Restriction. Within thirty (30) days of the end of each Determination Date (a “**Notice of Conversion Limitation**”), the Corporation will provide each Preferred Holder of record a notice of the FPI Protection Restriction and the impact the FPI Protective Provision has on the ability of each Preferred Holder to exercise the right to convert Series A Preferred Shares held by the Preferred Holder. To the extent that requests for conversion of Series A Preferred Shares subject to the FPI Protection Restriction would result in the 45% Threshold being exceeded, the number of such Series A Preferred Shares eligible for conversion held by a particular holder shall be prorated relative to the number of Series A Preferred Shares submitted for conversion. To the extent that the FPI Protective Restriction contained in this Section 6(a) applies, the determination of whether Series A Preferred Shares are convertible shall be in the sole discretion of the Corporation.

(iv) Disputes. In the event of a dispute as to the number of shares of Common Stock issuable to a Holder in connection with a conversion of Series A Preferred Shares, the Corporation shall issue to the Holder the number of Common Shares not in dispute and resolve such dispute in accordance with Section 11.

(b) Beneficial Ownership Restriction:

(i) Beneficial Ownership. The Corporation shall not effect any conversion of Series A Preferred Shares, and a Preferred Holder shall not have the right to convert any portion of its Series A Preferred Shares, pursuant to Section 5 or otherwise, to the extent that after giving effect to such issuance after conversion as set forth on the applicable Conversion Notice, the Holder (together with the Holder’s Affiliates (each, an “**Affiliate**” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)), and any other persons acting as a group together with the Holder or any of the Holder’s Affiliates), would beneficially own in excess of 4.99% of the number of the Common Shares outstanding immediately after giving effect to the issuance of Common Shares issuable upon conversion of the Series A Preferred Shares subject to the Conversion Notice (the “**Beneficial Ownership Limitation**”).

(ii) Calculation. For purposes of the foregoing sentence, the number of Common Shares beneficially owned by the Preferred Holder and its Affiliates shall include the number of Common Shares issuable upon conversion of Series A Preferred Shares with respect to which such determination is being made, but shall exclude the number of Common Shares which would be issuable upon (i) convert of the remaining, non-converted portion of Series A Preferred Shares beneficially owned by the Preferred Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or non-converted portion of any other securities of the Corporation subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Preferred Holder or any of its Affiliates. In any case, the number of outstanding Common Shares shall be determined after giving effect to the conversion or exercise of

securities of the Corporation, including Series A Preferred Shares subject to the Conversion Notice, by the Preferred Holder or its Affiliates since the date as of which such number of outstanding Common Shares was reported. Except as set forth in the preceding sentence, for purposes of this Section 6(b), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder based on information provided by the Preferred Holder to the Corporation in the Conversion Notice.

(iii) Conversion Limitation. To the extent that the limitation contained in this Section 6(b) applies and the Corporation can convert some, but not all, of such Series A Preferred Shares submitted for conversion, the Corporation shall convert Series A Preferred Shares up to the Beneficial Ownership Limitation in effect, based on the number of Series A Preferred Shares submitted for conversion on such date. The determination of whether Series A Preferred Shares are convertible (in relation to other securities owned by the Preferred Holder together with any Affiliates) and of which Series A Preferred Shares are convertible shall be in the sole discretion of the Corporation, and the submission of a Conversion Notice shall be deemed to be the Holder's certification as to the Preferred Holder's beneficial ownership of Common Shares of the Corporation, and the Corporation shall have the right, but not the obligation, to verify or confirm the accuracy of such beneficial ownership.

(iv) Increase of Beneficial Ownership Limitation. The Preferred Holder, upon notice to the Corporation, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 6(b), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of the Common Shares outstanding immediately after giving effect to the issuance of Common Shares upon conversion of Series A Preferred Shares subject to the Conversion Notice and the provisions of this Section 6 shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Corporation. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 6 to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor Preferred Holder.

7. Mandatory Conversion.

(a) Notwithstanding subsection 6(a), the Corporation may require each Preferred Holder to convert all, and not less than all, Series A Preferred Shares at the Conversion Ratio (a "***Mandatory Conversion***") if at any time after September 30, 2017, all the following conditions are satisfied (or otherwise waived by the Super Majority Vote of the Preferred Holders):

(i) the Common Shares issuable upon conversion of the Series A Preferred Shares are registered for resale and may be sold by the Preferred Holder pursuant to an effective registration statement and/or prospectus covering the

Common Shares or such shares may be sold pursuant to Rule 144 under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) without volume restrictions or any other limitations and without any requirement for registration under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available to issue the Common Shares issuable upon such conversion; and

(ii) the Common Shares are listed or quoted (and are not suspended from trading) on a recognized North American stock exchange or by way of reverse takeover transaction on the Toronto Stock Exchange, TSX Venture Exchange or another recognized North American stock exchange.

(b) The Corporation will issue or cause its transfer agent to issue each Preferred Holder of record a Mandatory Conversion Notice at least 20 days prior to the record date of the Mandatory Conversion, which shall specify therein, (i) the number of Common Shares into which the Series A Preferred Shares is convertible and (ii) the address of record for such Preferred Holder. On the record date of a Mandatory Conversion, the Corporation will issue or cause its transfer agent to issue each Preferred Holder of record on the Mandatory Conversion Date certificates representing the number of Common Shares into which the Series A Preferred Shares are so converted and each certificate representing the Series A Preferred Shares shall be null and void.

8. **Pre-emptive Rights.** The holders of the shares of Series A Preferred Shares shall have no preemptive rights.

9. **Notices.** Any notice required by the provisions of these Special Rights and Restrictions to be given to the Preferred Holders shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

10. **Status of Converted Preferred Shares.** Any Series A Preferred Share converted shall be retired and cancelled and may not be reissued as shares of such series or any other class or series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of Series A Preferred Shares accordingly.

11. **Disputes.** Any Preferred Holder that beneficially owns more than 5% of the issued and outstanding Series A Preferred Shares may submit a written dispute as to the determination of the Conversion Ratio or the arithmetic calculation of the Conversion Ratio, 45% Threshold, FPI Protective Restriction or the Beneficial Ownership Limitation by the Corporation to the Board of Directors with the basis for the disputed determinations or arithmetic calculations. The Corporation shall respond to the Preferred Holder within five (5) Business Days of receipt, or deemed receipt, of the dispute notice with a written calculation of the Conversion Ratio, 45% Threshold, FPI Protective Restriction or the Beneficial Ownership Limitation, as applicable. If the Preferred Holder and the Corporation are unable to agree upon such determination or calculation of the Conversion Ratio, FPI Protective Restriction or the Beneficial Ownership Limitation, as applicable, within five (5) Business Days of such response,

then the Corporation and the Preferred Holder shall, within one (1) Business Day thereafter submit the disputed arithmetic calculation of the Conversion Ratio, FPI Protective Restriction or the Beneficial Ownership Limitation to the Corporation's independent, outside accountant. The Corporation, at the Corporation's expense, shall cause the accountant to perform the determinations or calculations and notify the Corporation and the Preferred Holder of the results no later than five (5) Business Days from the time it receives the disputed determinations or calculations. Such accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

SCHEDULE "D"
ESCROW AGREEMENT

SCHEDULE "D"

ESCROW AGREEMENT

THIS AGREEMENT is made as of the _____ day of December, 2018

AMONG:

CBD GLOBAL SCIENCES INC.
(the "**Issuer**")

- and -

TINGLEMERRETT LLP
(the "**Escrow Agent**")

- and -

EACH OF THE UNDERSIGNED SECURITYHOLDERS OF THE TARGET COMPANY
(a "**Securityholder**" or "**you**")
(collectively, the "**Parties**")

WHEREAS:

- A. the Issuer and the holders of the Target Company have entered into a share exchange agreement dated December __, 2018, which set out the terms and conditions for a transaction between them to combine the businesses and operations of Global NV Corp. (the "**Target Company**") and continue as a publicly listed company (the "**Transaction**");
- B. this Agreement is being entered into by the Parties as a condition precedent to the closing of the Transaction.

NOW THEREFORE, in consideration of the covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

PART 1 ESCROW

1.1 Appointment of Escrow Agent

The Issuer, Target Company and the Securityholders appoint the Escrow Agent to act as escrow agent under this Agreement. The Escrow Agent accepts the appointment.

1.2 Deposit of Escrow Securities in Escrow

- (1) You are depositing the securities (the "**Escrow Securities**") listed opposite your name in

Schedule "A" with the Escrow Agent to be held in escrow under this Agreement. You will immediately deliver or cause to be delivered to the Escrow Agent any share certificates or other evidence of these securities which you have or which you may later receive. Schedule "A" is hereby incorporated into and forms part of this Agreement.

- (2) If you receive any other securities ("**Additional Escrow Securities**"):
- (a) as a dividend or other distribution on Escrow Securities;
 - (b) on the exercise of a right of purchase, conversion or exchange attaching to Escrow Securities, including securities received on conversion of special warrants;
 - (c) on a subdivision, or compulsory or automatic conversion or exchange of Escrow Securities; or
 - (d) from a Successor Issuer (as defined herein) in a business combination, if Part 6 of this Agreement applies,

you will deposit them in escrow with the Escrow Agent. You will deliver or cause to be delivered to the Escrow Agent any share certificates or other evidence of those Additional Escrow Securities. When this Agreement refers to "Escrow Securities", it includes "Additional Escrow Securities".

- (3) You will immediately deliver to the Escrow Agent any replacement share certificates or other evidence of Additional Escrow Securities issued to you.

1.3 Direction to Escrow Agent

The Issuer, Target Company and the Securityholders direct the Escrow Agent to hold the Escrow Securities in escrow until they are released from escrow under the terms of this Agreement.

PART 2 RELEASE OF ESCROW SECURITIES

2.1 Release Provisions

The provisions of Schedule "B" set out the condition precedents to the release of the Escrowed Securities and are incorporated into and form part of this Agreement.

2.2 Additional Escrow Securities

If you acquire Additional Escrow Securities in connection with the Transaction, those securities will be added to the securities already in escrow, to increase the number of remaining Escrow Securities. After that, all of the Escrow Securities will be released in accordance with the applicable release schedule.

2.3 Delivery of Share Certificates for Escrow Securities

The Escrow Agent will send to each Securityholder any share certificates or other evidence of that Securityholder's Escrow Securities in the possession of the Escrow Agent released from escrow as soon as reasonably practicable after the release.

2.4 Replacement Certificates

If, on the date a Securityholder's Escrow Securities are to be released, the Escrow Agent holds a share certificate or other evidence representing more Escrow Securities than are to be released, the Escrow Agent will deliver the share certificate or other evidence to the Issuer or its transfer agent and request replacement share certificates or other evidence. The Issuer will cause replacement share certificates or other evidence to be prepared and delivered to the Escrow Agent. After the Escrow Agent receives the replacement share certificates or other evidence, the Escrow Agent will send to the Securityholder or at the Securityholder's direction, the replacement share certificate or other evidence of the Escrow Securities released. The Escrow Agent and Issuer will act as soon as reasonably practicable.

2.5 Release upon Death

- (1) If a Securityholder dies, the Securityholder's Escrow Securities will be released from escrow. The Escrow Agent will deliver any share certificates or other evidence of the Escrow Securities in the possession of the Escrow Agent to the Securityholder's legal representative.
- (2) Prior to delivery the Escrow Agent must receive:
 - (a) a certified copy of the death certificate; and
 - (b) any evidence of the legal representative's status that the Escrow Agent may reasonably require.

PART 3 DEALING WITH ESCROW SECURITIES

1.1 Restriction on Transfer, etc.

Unless it is expressly permitted in this Agreement, you will not sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with your Escrow Securities or any related share certificates or other evidence of the Escrow Securities. If a Securityholder is a private company controlled by one or more Principals of the Issuer, the Securityholder may not participate in a transaction that results in a change of its control or a change in the economic exposure of the Principals to the risks of holding Escrow Securities.

3.2 Pledge, Mortgage or Charge as Collateral for a Loan

Upon written notice to the Issuer, Target Company and Escrow Agent at least twenty (20) business days prior thereto, you may pledge, mortgage or charge your Escrow Securities to a financial institution as collateral for a loan, provided that no Escrow Securities or any share certificates or other evidence of Escrow Securities will be transferred or delivered by the Escrow Agent to the financial institution for this purpose. The loan agreement must provide that the Escrow Securities will remain in escrow if the lender realizes on the Escrow Securities to satisfy the loan.

3.3 Voting of Escrow Securities

Although you may exercise voting rights attached to your Escrow Securities, you may not, while your securities are held in escrow, exercise voting rights attached to any securities (whether in escrow or not) in support of one or more arrangements that would result in the repayment of capital being made on the Escrow Securities prior to a winding up of the Issuer.

3.4 Dividends on Escrow Securities

You may receive a dividend or other distribution on your Escrow Securities, and elect the manner of payment from the standard options offered by the Issuer. If the Escrow Agent receives a dividend or other distribution on your Escrow Securities, other than Additional Escrow Securities, the Escrow Agent will pay the dividend or other distribution to you on receipt.

3.5 Exercise of Other Rights Attaching to Escrow Securities

You may exercise your rights to exchange or convert your Escrow Securities in accordance with this Agreement.

PART 4 PERMITTED TRANSFERS WITHIN ESCROW

4.1 Transfer Upon Realization of Pledged, Mortgaged or Charged Escrow Securities

- (1) You may transfer Escrow Securities you have pledged, mortgaged or charged under Section 3.2 to a financial institution as collateral for a loan within escrow to the lender on realization provided that you notify the Issuer, Target Company and Escrow Agent at least twenty (20) business days and not more than forty (40) business days prior to the date of the proposed transfer.
- (2) Prior to the transfer the Escrow Agent must receive:
 - (a) a statutory declaration of an officer of the financial institution that the financial institution is legally entitled to the Escrow Securities; and
 - (b) a transfer power of attorney, executed by the transferor in accordance with the requirements of the transfer agent of the Issuer and/or the Target Company, as applicable.

4.2 Transfer to Certain Plans and Funds

- (1) You may transfer Escrow Securities within escrow to or between a registered retirement savings plan (RRSP), registered retirement income fund (RRIF) or other similar registered plan or fund with a trustee, where the beneficiaries of the plan or fund are limited to you and your spouse, children and parents provided that you notify the Issuer, Target Company and Escrow Agent at least twenty (20) business days and not more than forty (40) business days prior to the date of the proposed transfer.
- (2) Prior to the transfer the Escrow Agent must receive:
 - (a) evidence from the trustee of the transferee plan or fund, or the trustee's agent, stating that, to the best of the trustee's knowledge, the annuitant of the RRSP or RRIF or the beneficiaries of the other registered plan or fund do not include any person or company other than you and your spouse, children and parents; and
 - (b) a transfer power of attorney, executed by the transferor in accordance with the requirements of the Issuer and/or the Target Company, as applicable.

5.6 Effect of Transfer Within Escrow

After the transfer of Escrow Securities within escrow, the Escrow Securities will remain in escrow and released from escrow under this Agreement as if no transfer has occurred, on the same terms that applied before the transfer. The Escrow Agent will not deliver any share certificates or other evidence of the Escrow Securities to transferees under this Part 5.

PART 6 BUSINESS COMBINATION

6.1 Escrow of New Securities

- (1) You hereby authorize and direct the Escrow Agent to take such action as may be required to effect the business combination, including, but not limited to, exchange the Escrow Securities for securities ("**New Securities**") of the Issuer or another issuer created through the business combination of the Issuer and the Target Company ("**Successor Issuer**").
- (2) If you receive New Securities in exchange for your Escrow Securities, the New Securities will be subject to escrow in substitution for the tendered Escrow Securities, unless, immediately after completion of the business combination.
- (3) The Escrow Agent will hold your New Securities in escrow on the same terms and conditions, including release dates, as applied to the Escrow Securities that you exchanged.

PART 7 RESIGNATION OF ESCROW AGENT

7.1 Resignation of Escrow Agent

- (1) If the Escrow Agent wishes to resign as escrow agent, the Escrow Agent will give written notice to the Issuer and the Target Company.
- (2) If the Issuer, or, if applicable, the Successor Issuer, wishes to terminate the Escrow Agent as escrow agent, the Issuer will give written notice to the Escrow Agent and the Target Company.
- (3) If the Escrow Agent resigns or is terminated, the Issuer will be responsible for ensuring that the Escrow Agent is replaced not later than the resignation or termination date by another escrow agent that is acceptable to the Target Company and the Securityholders and that has accepted such appointment, which appointment will be binding on the Issuer, the Target Company and the Securityholders.
- (4) The resignation or termination of the Escrow Agent will be effective, and the Escrow Agent will cease to be bound by this Agreement, on the date that is sixty (60) days after the date of receipt of the notices referred to above by the Escrow Agent or Issuer, as applicable, or on such other date as the Escrow Agent and the Issuer may agree upon (the "resignation or termination date"), provided that the resignation or termination date will not be less than ten (10) business days before a release date.
- (5) If the Issuer has not appointed a successor escrow agent within sixty (60) days of the resignation or termination date, the Escrow Agent will apply, at the Issuer's expense, to a court of competent jurisdiction for the appointment of a successor escrow agent, and the duties and responsibilities of the Escrow Agent will cease immediately upon such appointment.
- (6) On any new appointment under this section, the successor Escrow Agent will be vested with the same powers, rights, duties and obligations as if it had been originally named herein as Escrow Agent, without any further assurance, conveyance, act or deed. The predecessor Escrow Agent, upon receipt of payment for any outstanding account for its services and expenses then unpaid, will transfer, deliver and pay over to the successor Escrow Agent, who will be entitled to receive, all securities, records or other property on deposit with the predecessor Escrow Agent in relation to this Agreement and the predecessor Escrow Agent will thereupon be discharged as Escrow Agent.

PART 9 INDEMNIFICATION OF THE ESCROW AGENT

9.1 Indemnification

- (1) The Issuer and each Securityholder jointly and severally:
 - (a) release, indemnify and save harmless the Escrow Agent from all costs (including legal cost, expenses and disbursements), charges, claims, demands, damages, liabilities, losses and expenses incurred by the Escrow Agent;

- (b) agree not to make or bring a claim or demand, or commence any action, against the Escrow Agent; and
- (c) agree to indemnify and save harmless the Escrow Agent from all costs (including legal costs) and damages that the Exchange incurs or is required by law to pay as a result of any person's claim, demand or action,

arising from any and every act or omission committed or omitted by the Escrow Agent, in connection with this Agreement, even if said act or omission was negligent, or constituted a breach of the terms of this Agreement.

- (2) This indemnity survives the release of the Escrow Securities and the termination of this Agreement.

PART 10 NOTICES

10.1 Notice to Escrow Agent, Issuer or Target Company

Documents will be considered to have been delivered to the Parties on the next business day following the date of transmission, if delivered by fax, the date of delivery, if delivered by hand during normal business hours or by prepaid courier, or five (5) business days after the date of mailing, if delivered by mail, to the following:

If to the Escrow Agent:

TingleMerrett LLP
1250, 639 – 5th Avenue S.W.
Calgary, Alberta T2P 0M9
Email: sreeves@tinglemerrett.com
Attention: Scott Reeves

If to the Issuer:

CBD Global Sciences Inc.
Attn. Brad Wyatt
225 Union Blvd., #350
Lakewood, CO 80228
Email: brad.wyatt@aethics.com

With a Copy to:

Denali Law Firm, LLC
Attn: Robert Hopp
PO Box 955
Littleton, CO 80160
Email: r.hopp@denalilawfirm.com

10.3 Deliveries to Securityholders

Documents will be considered to have been delivered to a Securityholder on the date of delivery, if delivered by hand or by prepaid courier, or five (5) business days after the date of mailing, if delivered by mail, to the address on the Issuer's share register.

Any share certificates or other evidence of a Securityholder's Escrow Securities will be sent to the Securityholder's address on the Issuer's share register unless the Securityholder has advised the Escrow Agent in writing otherwise at least ten business days before the Escrow Securities are

released from escrow. The Issuer will provide the Escrow Agent with each Securityholder's address as listed on the Issuer's share register.

10.4 Change of Address

- (1) The Escrow Agent may change its address for delivery by delivering notice of the change of address to the Issuer, the Target Company and to each Securityholder.
- (2) The Issuer may change its address for delivery by delivering notice of the change of address to the Escrow Agent and to each Securityholder.
- (3) A Securityholder may change that Securityholder's address for delivery by delivering notice of the change of address to the Issuer and to the Escrow Agent.

PART 11 GENERAL

11.1 Interpretation

- (1) Upon the business combination of the Issuer and Target Company, all references herein to the "Issuer" shall include the "Successor Issuer", as applicable.

11.3 Termination, Amendment, and Waiver of Agreement

- (1) Subject to subsection 11.3(3), this Agreement shall only terminate:
 - (a) with respect to all the Parties:
 - (i) as specifically provided in this Agreement;
 - (ii) subject to subsection 11.3(2), upon the agreement of all Parties; or
 - (iii) when the Securities of all Securityholders have been released from escrow pursuant to this Agreement; and
 - (b) with respect to a Party:
 - (i) as specifically provided in this Agreement; or
 - (ii) if the Party is a Securityholder, when all of the Securityholder's Securities have been released from escrow pursuant to this Agreement.
- (2) An agreement to terminate this Agreement pursuant to Section 11.3(1)(a)(ii) shall not be effective unless and until the agreement to terminate
 - (a) is evidenced by a memorandum in writing signed by all Parties; and

- (b) the termination of this Agreement has been approved by a majority vote of securityholders of the Issuer excluding in each case, Securityholders.
- (3) Notwithstanding any other provision in this Agreement, the obligations set forth in Section 9.1 shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.
- (4) No amendment or waiver of this Agreement or any part of this Agreement shall be effective unless the amendment or waiver:
 - (a) is evidenced by a memorandum in writing signed by all Parties; and
 - (b) the amendment or waiver of this Agreement has been approved by a majority vote of securityholders of the Issuer excluding in each case, Securityholders.
- (5) No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether similar or not), nor shall any waiver constitute a continuing waiver, unless expressly provided.

11.4 Severance of Illegal Provision

Any provision or part of a provision of this Agreement determined by a court of competent jurisdiction to be invalid, illegal or unenforceable shall be deemed stricken to the extent necessary to eliminate any invalidity, illegality or unenforceability, and the rest of the Agreement and all other provisions and parts thereof shall remain in full force and effect and be binding upon the parties hereto as though the said illegal and/or unenforceable provision or part thereof had never been included in this Agreement.

11.5 Further Assurances

The Parties will execute and deliver any further documents and perform any further acts reasonably requested by any of the Parties to this agreement which are necessary to carry out the intent of this Agreement.

11.6 Time

Time is of the essence of this Agreement.

11.9 Governing Laws

The laws of the Province of Alberta and the applicable laws of Canada will govern this Agreement.

11.10 Counterparts

The Parties may execute this Agreement by fax and in counterparts, each of which will be considered an original and all of which will be one agreement.

11.11 Singular and Plural

Wherever a singular expression is used in this Agreement, that expression is considered as including the plural or the body corporate where required by the context.

11.12 Language

This Agreement has been drawn up in the English language at the request of all parties. Cet acte a été rédigé en anglais à la demande de toutes les parties.

11.13 Benefit and Binding Effect

This Agreement will benefit and bind the Parties and their heirs, executors, administrators, successors and permitted assigns and all persons claiming through them as if they had been a Party to this Agreement.

11.14 Entire Agreement

This is the entire agreement among the Parties concerning the subject matter set out in this Agreement and supersedes any and all prior understandings and agreements.

11.15 Successor to Escrow Agent

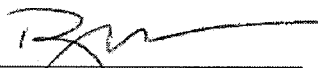
Any corporation with which the Escrow Agent may be amalgamated, merged or consolidated, or any corporation succeeding to the business of the Escrow Agent will be the successor of the Escrow Agent under this Agreement without any further act on its part or on the part or any of the Parties, provided that the successor is recognized by the Issuer, Target Company and the Securityholders.

The Parties have executed and delivered this Agreement as of the date set out above.

TINGLEMERRETT LLP

Per: _____

CBD GLOBAL SCIENCES INC.

By: 

Brad Wyatt, CEO/President

[Securityholder execution pages to follow]

If the Securityholder is an individual:

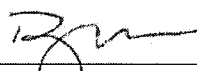
Signed, sealed and delivered by)
Brad Wyatt in the presence of:)

BRAD WYATT)
Name)

5700 AMBER RIDGE DRIVE)
Address, Phone, Email)

CASTLE PINES CO 90108)

CEO - GLOBAL NV)
Occupation)


Brad Wyatt

If the Securityholder is not an individual:

[Securityholder]

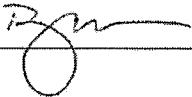
Authorized signatory

Authorized signatory

SCHEDULE "A" TO ESCROW AGREEMENT

Securityholder

Name: Brad Wyatt

Signature:  _____

Address for Notice:
5700 Amber Ridge Drive
Castle Pines, CO 80108

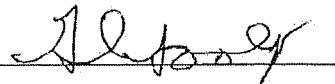
Securities:

<i>Class</i>	<i>Number</i>	<i>Certificate(s) (if applicable)</i>
<i>Common</i>	<i>3,040,870</i>	
<i>Series A Voting Preferred</i>	<i>84,787</i>	

SCHEDULE "A" TO ESCROW AGREEMENT

Securityholder

Name: Glenn Dooley

Signature: 

Address for Notice:
10685 Cottoneaster Way
Parker, CO 80134

Securities:

<i>Class</i>	<i>Number</i>	<i>Certificate(s) (if applicable)</i>
<i>Common</i>	<i>3,018,270</i>	
<i>Series A Voting Preferred</i>	<i>84,157</i>	

SCHEDULE "B" TO ESCROW AGREEMENT

RELEASE OF SECURITIES

Timed Release

Percentage of Total Escrowed Securities to be Released	Release Date
10%	Transaction Closing Date ("TCD")
15%	six (6) months after TCD
15%	twelve (12) months after TCD
15%	eighteen (18) months after TCD
15%	twenty-four (24) months after TCD
15%	thirty (30) months after TCD
15%	thirty-six (36) months after TCD

If the Securityholder is an individual:

Signed, sealed and delivered by
Glenn Dooley in the presence of:

Merric Dooley
Name

10685 Cottoncaster Way
Address, Phone, Email

Parker, CO 80134
glenn.dooley@msn.com

Homemaker
Occupation

Glenn Dooley
Glenn Dooley

If the Securityholder is not an individual:

[Securityholder]

Authorized signatory

Authorized signatory

SCHEDULE "E"

PLAN OF MERGER

GLOBAL SCIENCES CORP.,
a Nevada corporation
into
GLOBAL NV CORP.,
a Nevada corporation

This Plan of Merger, made and entered into this 10th day of December, 2018 ("**Plan of Merger**"), by and between **GLOBAL SCIENCES CORP.**, a Nevada corporation ("**MergeCo**"), and **GLOBAL NV CORP.**, a Nevada corporation ("**Surviving Company**").

RECITALS

WHEREAS, MergeCo is a corporation duly organized and existing under the laws of the State of Nevada and the wholly-owned subsidiary of **CBD GLOBAL SCIENCES INC.**, a corporation incorporated under the laws of the Province of Alberta ("**CBD**");

WHEREAS, CBD and the Surviving Company have entered into a Share Exchange Agreement under which CBD and the Surviving Company has agreed MergeCo will merge with and into the Surviving Company ("**Merger**");

WHEREAS, the Board of Directors of CBD, MergeCo, and of the Surviving Company have deemed it advisable to (i) merge MergeCo with and into the Surviving Company, and (ii) all of the shareholders of the Surviving Company have authorized, approved, ratified and confirmed this Plan of Merger in accordance with NRS 92A.150.

NOW, THEREFORE:

1.1. **Merger.**

- (a) At the Effective Time, as defined in section 1.3 below, MergeCo shall be merged with and into the Surviving Company.
- (b) At the Effective Time, each issued and outstanding share of common stock of MergeCo shall be canceled by reason of the Merger and without any action on the part of the holders thereof. At the Effective Time, CBD will issue 1.31987 CBD Common Shares and 0.036801 CBD Preferred Shares preferred shares of CBD in exchange for each issued and outstanding common shares of the Surviving Company, and by virtue of the Merger and without any action on the part of the holder of any issued and outstanding common shares of the Surviving Company, CBD shall be the sole Shareholder of the Surviving Company.
- (c) At the Effective Time, the separate existence of the MergeCo shall cease, and the MergeCo shall be merged with and into the Surviving Company, and all of the property, assets, rights, privileges, powers, franchises and immunities of MergeCo shall vest in the Surviving Company, and all of the debts, liabilities, and obligations of the Subsidiary shall become the debts, liabilities, and obligations of the Surviving Company.

1.3 **Effective Time.** This Plan of Merger shall become effective in Nevada on the date the Articles of Merger have been filed with the Secretary of State of Nevada in accordance with NRS 92A.200 ("**Effective Time**").

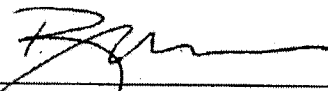
1.4 **Directors and Officers of the Surviving Company.** The managers of the Surviving Company shall continue in office for their current terms and until their successors are elected and qualified, or until their

death, resignation or removal. The officers of the Surviving Company shall remain officers of the Surviving Company on the effective date and shall serve at the pleasure of the board of directors.

- 1.5 **Registered Agent.** Pursuant to NRS 77.310, NRS 78.090 and NRS 92A.205, the Surviving Company shall cause the filing an appointment of registered agent on behalf of the Surviving Company with the Nevada Secretary of State.

IN WITNESS WHEREOF, this Plan of Merger, having first been duly approved by the Board of Directors of each of MergeCo and the Surviving Company, and authorized, approved, ratified and confirmed by all of the shareholders of the Surviving Company in accordance with Chapter 92A, Section 200 and Section 205 of the Nevada Revised Statutes, this Plan of Merger in all respects is hereby executed by each of said corporations by their respective officers.

GLOBAL NV CORP.

By: 
Brad Wyatt, President/CEO

GLOBAL SCIENCES CORP.

By: 
Kelly Balaberda, President

APPENDIX D
FINANCIAL STATEMENTS OF GLOBAL NV

Global NV Corp.

Consolidated Financial Statements for the Years Ended

December 31, 2018 and 2017

(Expressed in United States dollars)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Global NV Corp.

Opinions

We have audited the consolidated financial statements of Global NV Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

Unmodified Opinion on the Financial Position, Financial Performance and Cash Flows

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and cash flows for the year ended December 31, 2018, in accordance with International Financial Reporting Standards.

Qualified Opinion on the Financial Performance and Cash Flows

In our opinion except for the possible effects of the matter described in the *Basis for Opinions, Including Basis for Qualified Opinion on the Financial Performance and Cash Flows* section of our report, the accompanying statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows present fairly in all material respects the financial performance and cash flows of the Company for the year ended December 31, 2017 in accordance with International Financial Reporting Standards.

Basis for Opinions, Including Basis for Qualified Opinion on the Financial Performance and Cash Flows

Because we were appointed auditors of the Company during 2018, we were not able to observe the counting of the physical inventories as at December 31, 2016 or satisfy ourselves concerning those inventory quantities by alternative means. Since opening inventories affect the determination of the financial performance and cash flows, we were unable to determine whether adjustments to the financial performance and cash flows might be necessary for the year ended December 31, 2017.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the financial position as at December 31, 2018 and 2017, and the financial performance and cash flows for the year ended December 31, 2018, and our qualified opinion on the financial performance and cash flows for the year ended December 31, 2017.

Material Uncertainty Related to Going Concern

Without qualifying our opinion we draw attention to Note 1 to the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not qualified in respect of that matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[Audit Firm Signature]

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

Global NV Corp.

Consolidated Statements of Financial Position

As at December 31, 2018 and 2017

(Expressed in United States dollars)

	Notes	2018	2017
ASSETS			
Current assets			
Cash		\$ 320,331	\$ 4,286
Trade accounts receivable		75,000	3,569
Prepaid expenses	6	42,871	7,583
Inventory	7,8	4,117,369	513,258
Total current assets		4,555,571	528,696
Deposits	6	113,110	117,528
Property and equipment	9	1,332,302	253,331
Total assets		\$ 6,000,983	\$ 899,555
LIABILITIES AND OWNERS' EQUITY			
Current liabilities			
Accounts payable and other liabilities	14	\$ 233,757	\$ 65,856
Due to related parties	14	483,587	434,493
Income taxes payable	18	116,000	-
Notes payable	10,14	699,213	100,000
Convertible debt	11	2,436,109	-
Total current liabilities		3,968,666	600,349
Notes payable	10	-	155,004
Total liabilities		3,968,666	755,353
Shareholders' equity			
Share capital	13	3,532,850	775,216
Capital reserves	13	1,783,295	-
Deficit		(3,283,828)	(631,014)
Total owners' equity		2,032,317	144,202
Total liabilities and owners' equity		\$ 6,000,983	\$ 899,555

Nature of operations and going concern (Note 1)

Commitments (Note 17)

Subsequent events (Note 21)

The accompanying notes form an integral part of these consolidated financial statements

Global NV Corp.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended December 31, 2018 and 2017

(Expressed in United States dollars)

		2018	2017
Sales		\$ 592,207	\$ 338,271
Cost of sales (recovery)			
Cost of sales		391,841	53,400
Gross profit, excluding fair value items		200,366	284,871
Unrealized gain on changes in fair value of biological assets	7	2,632,451	143,058
Realized fair value amounts included in inventory sold	8	(124,460)	(23,400)
Gross profit		2,708,357	404,529
General and administrative expenses	15	1,530,311	301,538
Marketing, sales and distribution		439,751	8,690
Depreciation	9	80,083	27,506
Share based payments	13	645,588	-
Total operating expenses		2,695,733	337,734
Income from operations		12,624	66,795
Other income (expenses)			
Write-off of property deposit		-	(15,000)
Accretion expense	10,11	(480,580)	(68,786)
Interest expense		(181,229)	(56,478)
Interest income		1,505	-
Loss on settlement of debt	10,13	(1,914,134)	-
Other income		25,000	-
Net loss before provision for income taxes		(2,549,438)	(73,469)
Current income taxes	18	116,000	-
Net and comprehensive loss		\$ (2,652,814)	\$ (73,469)
Weighted average number of shares		9,021,218	241,163
Basic and diluted earnings per share		\$ (0.28)	\$ (0.30)

Global NV Corp.

Consolidated Statement of Changes in Shareholders' Equity (Deficiency)

For the years ended December 31, 2018 and 2017

(Expressed in United States dollars)

	Notes	Share capital		Capital reserves	Deficit	Total owners' equity (deficiency)
		Number of common shares	Amount			
Balance, December 31, 2016		7,423,387	\$ 775,216	\$ -	\$ (557,545)	\$ (557,545)
Net loss for the year		-	-	-	(73,469)	(73,469)
Balance, December 31, 2017		7,423,387	775,216	-	(631,014)	144,202
Shares issued for debt settlement	13	2,708,163	2,707,634	-	-	2,707,634
Equity portion of convertible debt	11	-	-	304,964	-	304,964
Issuance of Investor Warrants	11	-	-	152,482	-	152,482
Share-based payments	13	60,000	50,000	595,588	-	645,588
Issuance of brokers' warrants	11	-	-	730,261	-	730,261
Net loss for the year		-	-	-	(2,652,814)	(2,652,814)
Balance, December 31, 2018		10,191,550	\$ 3,532,850	\$ 1,783,295	\$ (3,283,828)	\$ 2,032,317

Global NV Corp.

Consolidated Statements of Cash Flows

For the years ended December 31, 2018 and 2017

(Expressed in United States dollars)

	2018	2017
Operating activities		
Net loss for the year	\$ (2,652,814)	\$ (73,469)
Items not affecting cash:		
Unrealized changes in fair value of biological assets	(2,632,451)	(143,058)
Accretion	480,580	68,786
Depreciation	80,083	27,506
Provision for income taxes	116,000	-
Share-based payments	645,588	-
Loss on settlement of debt	1,914,134	-
Non-cash working capital items:		
Trade accounts receivable	(71,431)	1,427
Prepaid expenses	(35,288)	6,467
Inventory	(971,660)	(293,400)
Accounts payable and other liabilities	167,898	4,793
Due to related parties	48,094	497,504
Net cash (used in) provided by operating activities	(2,911,267)	96,556
Investing activities		
Deposits on land acquisitions	-	(117,528)
Deposits on property and equipment	(113,110)	-
Acquisition of property and equipment	(511,526)	(81,421)
Net cash used in investing activities	(624,636)	(198,949)
Financing activities		
Proceeds from issuance of notes payable	282,800	100,000
Repayment of notes payable	(436,602)	-
Proceeds from issuance of convertible debt, net of transaction costs	4,005,750	-
Net cash provided by financing activities	3,851,948	100,000
Change in cash	316,045	(2,393)
Cash, beginning of the year	4,286	6,679
Cash, end of the year	\$ 320,331	\$ 4,286

Supplemental cash flow information (Note 16)

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Global NV Corp.'s (the "Company") head office and principal address is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228. The registered office in Nevada is located at 1085 Pleasure Lane, Henderson, Nevada, 89002 and 2754 Rockbridge Dr., Highlands Ranch, CO 80126 for Colorado. The records office is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228.

The Company is in the business of Cannabidiol (CBD) farming, processing and product manufacturing.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. To date the Company has incurred losses and may incur further losses in the development of its business. As at December 31, 2018 had working capital of \$586,905 (2017 deficiency – \$71,653) and an accumulated deficit of \$3,283,828 (2017 - \$631,014). The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

From time to time, the Company generates working capital to fund its operations by raising additional capital through equity or debt financing. However, there is no assurance it will be able to continue to do so in the future. These consolidated financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

2. BACKGROUND AND BASIS OF PRESENTATION

The consolidated financial statements were approved and authorized for issuance on May 29, 2019 by the board of directors.

a) Basis of presentation, functional currency and basis of consolidation

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value. The consolidated financial statements are presented in United States dollars, unless otherwise noted, which is the functional currency of the Company and its subsidiaries.

These consolidated financial statements include the financial statements of the Company and entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the Company's subsidiaries are included in these consolidated financial statements. All intercompany balances and transactions, income and expenses have been eliminated upon consolidation. The Company's subsidiaries are:

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

2. BACKGROUND AND BASIS OF PRESENTATION (Continued)

Name of subsidiary	Place of incorporation	Proportion of ownership	Principal activity
Strasburg Pharms, LLC	CO	100%	Farming operations
CannaOil, Inc.	CO	100%	CBD oil product sales
SMBT, LLC	CO	100%	CBD oil product sales
Global Sciences IP, LLC	Nevada	100%	Intellectual property

On October 19, 2018, the Company dissolved Global Sciences, LLC, an inactive subsidiary.

b) Comparative information

Certain comparative information has been reclassified to conform with financial statement presentation adopted in the current year.

3. SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of estimated returns and discounts. The Company considers the terms of the sales contracts as well as industry practices, taking into consideration the type of customer, the nature of the transaction and the specific circumstances of each arrangement.

The Company's revenue is comprised of sales of Cannabidiol products including hemp biomass, oil and finished goods. Revenue from the sale of goods is recognized when control of the goods has been transferred to the customer under the terms of an enforceable contract. The Company satisfies its performance obligation and transfers control to the customer upon delivery and acceptance by the customer. Anticipated product returns are provided for at the time of sale. Billings rendered in advance of performance under contracts are recorded as deferred revenue.

Trade accounts receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost, less any provisions for impairment. A provision is generally made when there is objective evidence that the Company will not be able to collect the amounts due according to original payment terms or when there are indications of collection issues related to specific customers. When an accounts receivable is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the consolidated statements of comprehensive loss.

Biological assets

The Company's biological assets consist of hemp plants and are valued using the income approach. Production costs are capitalized to biological assets and include all direct and indirect costs relating to biological transformation. While the Company's biological assets are within scope of IAS 41 Agriculture, the direct and indirect costs of biological assets are determined using an approach similar to the capitalization criteria outlined in IAS 2 Inventories. They include direct cost of seeds and growing materials, and indirect costs such as utilities, supplies and equipment rentals used in the growing and harvesting process. Direct labor costs include harvesting, planting and propagation. Indirect labor relates to quality control processes. All production costs are capitalized as they are incurred and subsequently recorded within cost of goods sold on the consolidated statements of comprehensive loss in the period that the related product is sold.

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company measures biological assets at fair value less cost to sell up to the point of harvest, which becomes the basis for the cost of biomass inventories after harvest. Net unrealized gains or losses arising from the changes in fair value less cost to sell during the year are included in the results of operations for the related year.

Inventory

Inventories of biomass are initially valued at cost or deemed cost and subsequently at the lower of cost and net realizable value on the balance sheet. Inventories of harvested hemp biomass and hemp flower are transferred from biological assets at their fair value less costs to sell at harvest which becomes the deemed cost. Any subsequent post-harvest production costs are capitalized to inventory to the extent that the cost is less than net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the average cost basis. Products for resale and supplies and consumables are valued at lower of cost and net realizable value.

The Company reviews inventory for obsolete, redundant and slow-moving goods and any such inventory are written-down to net realizable value.

Property and equipment

Property and equipment are recorded at cost less accumulated depreciation and impairment losses. The Company provides for depreciation using the following methods at rates designed to depreciate the cost of the equipment over their period of expected useful life. A half year of depreciation is recorded in the year of acquisition. No depreciation is recorded in the year of disposal or on assets under construction. The estimated useful lives of assets are reviewed by management and adjusted if necessary. The annual depreciation rates and methods are as follows:

Asset	Rate	Basis
Equipment	30%	Declining balance
Greenhouses	15 years	Straight-line

Cost includes expenditures that are directly attributable to the acquisition of the asset or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to profit or loss during the period they are incurred.

Financial instruments

Recognition, classification and measurement

Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL"). Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership.

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified its trade accounts receivables, accounts payable and other liabilities, due to related parties, notes payable and convertible debt as financial assets and financial liabilities measured at amortized cost. Such assets and liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses.

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivables are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Losses are recognized in the statements of comprehensive loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statements of comprehensive loss.

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from shareholders' equity, net of tax. In the event that the financing is not completed, these costs are expensed to profit or loss.

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loss per share

Loss per share is computed by dividing net loss available to shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding options and warrants were exercised and that the proceeds from such exercises were used to acquire shares at the average market price during the reporting periods.

Accounting standards adopted effective January 1, 2018

IFRS 9 – Financial Instruments (“IFRS 9”)

Effective January 1, 2018, the Company adopted IFRS 9 which replaced IAS 39, Financial Instruments: Recognition and Measurement (“IAS 39”). The Company applied the new standard retrospectively. The adoption of IFRS 9 did not have an impact on the Company's financial statements. The nature and effects of the key changes to the Company's accounting policies resulting from the adoption of IFRS 9 are summarized below.

Classification of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, FVTOCI and FVTPL. The previous IAS 39 categories are eliminated. IFRS 9 bases the classification of financial assets on the contractual cash flow characteristics and the company's business model for managing the financial asset. The differences between the two standards did not impact the Company at the time of transition.

Impairment of financial assets

IFRS 9 replaces the incurred loss model in IAS 39 with an expected credit loss (“ECL”) model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables and did not impact the Company at the time of transition.

Transition

The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 as at January 1, 2018 for each class of the Company's financial assets and liabilities. There were no adjustments to the carrying amounts of financial instruments as a result of the change in classification from IAS 39 to IFRS 9.

	Measurement category	
	IAS 39	IFRS 9
Cash		FVTPL
Trade accounts receivable	Loans and receivables	Amortized cost
Accounts payable and other liabilities	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost
Notes payable	Other financial liabilities	Amortized cost
Convertible debentures	Other financial liabilities	Amortized cost

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting standards adopted effective January 1, 2018 (continued)

IFRS 15 – Revenue from Contracts with Customers (“IFRS 15”)

IFRS 15 provides a single, five-step model to be applied to all contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The standard requires an entity to recognize revenue that reflects the transfer of goods and services for the amount it expects to receive when control is transferred to the customer.

Effective January 1, 2018, the Company adopted IFRS 15 which supersedes IAS 18 – Revenue, IAS 11 – Construction Contracts, and other revenue-related interpretations. The Company used the cumulative effect method to adopt the new standard and has applied transitional relief to contracts completed before January 1, 2018. As a result of the practical expedient, no changes are made to the revenue recognized under the previous revenue standard as the Company has transferred all of the goods or services identified during the comparative period. The recognition and measurement of the sale of products in all contracts is consistent with the previous recognition practice and therefore there were no transitional adjustments upon adoption.

Accounting standards issued but not yet effective

The standards and interpretations that are issued up to the date of issuance of the Company's financial statements and applicable to the Company, but were not effective during the year ended December 31, 2018, are disclosed below. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

The following standards are effective for annual periods beginning on or after January 1, 2019:

IFRS 16 – Leases (“IFRS 16”)

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. Instead, all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, related to, but are not limited to, the following:

Useful life of property and equipment

Property and equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and take into consideration the anticipated physical life of the asset, the potential for technological obsolescence, and regulations.

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Biological assets

The Company measures biological assets consisting of hemp biomass at fair value less cost to sell up to the point of harvest, which becomes the basis for the cost of finished goods inventories after harvest. The transfer of the fair value of biological assets to inventory may increase or decrease the deemed cost of ending inventory. In calculating the fair value of biological assets, management is required to make a number of estimates including wastage, expected yields, selling price and costs to sell at the point of harvest, and percentage of costs incurred for each stage of plant growth (Note 7).

Inventory

In calculating final inventory values, management is required to determine an estimate of spoiled or expired inventory and compares the inventory cost to estimated net realizable value. The valuation of cannabidiol oil and products also requires the estimate of conversion costs incurred, which become part of the carrying amount for the inventory. The Company must determine if the cost of any inventory exceeds its net realizable value, such as cases where prices have decreased or inventory has spoiled or has otherwise been damaged.

Carrying value and recoverability of property and equipment

The Company has determined that property, plant, and equipment that are capitalized may have future economic benefits and may be economically recoverable. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and useful lives of the assets.

Judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are as follows:

Going concern

The Company's ability to execute its strategy by funding future working capital requirements requires significant judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

5. BASIS OF FAIR VALUE

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

5. BASIS OF FAIR VALUE (Continued)

The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine (a) the values attributed to each component of a transaction at the time of their issuance; (b) the fair value measurements for certain instruments that require subsequent measurement at fair value on a recurring basis; and (c) for disclosing the fair value of financial instruments subsequently carried at amortized cost. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

The carrying value of the Company's financial instruments approximate their fair values due to their short-term maturities.

The following table sets forth the Company's financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy as at December 31, 2018:

		Level 1		Level 2		Level 3
Cash	\$	320,331	\$	-	\$	-

The following table sets forth the Company's financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy as at December 31, 2017:

		Level 1		Level 2		Level 3
Cash	\$	4,286	\$	-	\$	-

6. PREPAID EXPENSES

The Company's prepaid expenses as at December 31, 2018 and 2017 consist of the following:

		2018		2017
Current:				
Deposits	\$	40,000	\$	-
Other		2,872		7,583
		42,872		7,583
Non-current deposits		113,110		117,528
	\$	155,982	\$	125,111

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

7. BIOLOGICAL ASSETS

The Company's biological assets consist of hemp plants. The continuity of biological assets for the years ended December 31, 2018 and 2017 is as follows:

	2018	2017
Biological assets, beginning	\$ -	\$ -
Production of biological assets	864,555	370,200
Unrealized changes in fair value less costs to sell of biological assets	2,632,451	143,058
Transfers to inventory upon harvest	(3,497,006)	(513,258)
Biological assets, ending	\$ -	\$ -

As at December 31, 2018, all hemp plants had been harvested and converted into biomass and all production costs have been capitalized.

The fair value of biological assets is categorized within Level 3 on the fair value hierarchy. The fair value of the biological assets were valued using the expected selling price per pound of biomass as at the time of harvest. The expected selling price per pound is considered to be a significant unobservable input classified as level 3. A 10% decrease in the value of hemp biomass would have an impact of \$331,590 on the value of inventory.

8. INVENTORY

The following is a breakdown of inventory at December 31, 2018 and 2017:

	2018	2017
Hemp biomass	\$ 4,081,561	\$ 513,258
Cannabidiol oil	4,538	-
Cannabidiol oil products	31,270	-
Balance, December 31	\$ 4,117,369	\$ 513,258

During the year ended December 31, 2018, the Company recognized \$516,301 (2017 - \$53,400) of inventory expensed to cost of goods sold including \$124,460 (2017 - \$23,400) non-cash expense relating to the changes in fair value of inventory sold.

Global NV Corp.

Notes to Consolidated Financial Statements
For the years ended December 31, 2018 and 2017
(Expressed in United States dollars)

9. PROPERTY AND EQUIPMENT

		Farm Tools & Equipment		Greenhouses		Assets under Construction		Land		Total
Cost										
Balance, December 31, 2016	\$	44,096	\$	181,351	\$	-	\$	-	\$	225,447
Additions		67,710		13,711		-		-		81,420
Balance, December 31, 2017		111,806		195,062		-		-		306,868
Additions		211,545		35,415		185,575		726,519		1,159,054
Balance, December 31, 2018	\$	323,351	\$	230,477	\$	185,575	\$	726,519	\$	1,465,922
Accumulated Depreciation										
Balance, December 31, 2016	\$	10,446	\$	15,585	\$	-	\$	-	\$	26,031
Depreciation		14,699		12,807		-		-		27,506
Balance, December 31, 2017		25,145		28,392		-		-		53,537
Depreciation		65,274		14,809		-		-		80,083
Balance, December 31, 2018	\$	90,419	\$	43,201	\$	-	\$	-	\$	133,620
Net Book Value										
At December 31, 2017	\$	86,661	\$	166,670	\$	-	\$	-	\$	253,331
At December 31, 2018	\$	232,932	\$	187,276	\$	185,575	\$	726,519	\$	1,332,302

10. NOTES PAYABLE

				December 31, 2018		December 31, 2017	
	Nominal interest rate	Date of maturity		Face value	Carrying amount	Face value	Carrying amount
Promissory note	-	11/30/2019	(a)	\$ 137,500*	\$ 111,015	\$ 268,000	\$ 155,004
Promissory note	12.0%	6/30/2019	(b)	98,198	98,198	100,000	100,000
Promissory note	12.5%	5/19/2019	(c)	210,000	210,000	-	-
Promissory note	12.5%	3/1/2019	(d)	280,000	280,000	-	-
Total				\$ 725,698	\$ 699,213	\$ 368,000	\$ 255,004
Current				(725,698)	(699,213)	(100,000)	(100,000)
Long-term				\$ -	\$ -	\$ 268,000	\$ 155,004

*(The difference between the face value and the carrying amount is attributed to the discount to approximate fair value using the assumptions described below.)

Global NV Corp.

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10. NOTES PAYABLE (Continued)

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg Pharms LLC ("Strasburg") was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied, and a note payable was issued for the balance of \$268,000. The \$268,000 note payable is unsecured and non-interest bearing and is to be paid in variable monthly increments commencing in January 2017, in arrears, in an amount equal to the positive remainder, if any, of net sales revenue for the preceding month, minus \$26,000, and capped at \$20,000. On May 11, 2018, the terms of this note were renegotiated via court settlement. The new terms of the note include an adjusted remaining balance of \$249,500 as of May 11, 2018 and monthly payments of \$12,500 per month until paid implying a maturity date of November 30, 2019; the Company recorded a gain on settlement of \$18,500. The note was discounted on issuance to \$100,218 to approximate its fair value with a discount rate which reflects the Company's borrowing rate. During the year ended December 31, 2018, \$86,511 (2017 - \$68,786) was recorded in accretion expense.

As at December 31, 2018 the current portion of the carrying value of this note was \$111,015 (2017 - \$nil), and the long-term portion of the carrying value was \$nil (2017 - \$155,004) for a total carrying value of \$111,015 (2017 - \$155,004).

- b) On May 25, 2017, an investor advanced \$100,000 to the Company in exchange for one-year promissory note and a 1.5% unit in the gross sales amount of the 2017 outdoor harvest due when sold in 2018. The note was secured by land owned by a company controlled by the President of Global NV at the time, bore an interest rate of 10% per annum, required monthly interest payments, and a lump sum payment at the maturity date of May 25, 2018. On May 15, 2018, the terms of this note were renegotiated as follows: interest rate of 12% per annum from May 25, 2018, monthly payments of interest and principle starting August 1, 2018, maturing on June 30, 2019. The maturity date may be extended year to year upon written agreement between the parties. The note is secured by the 60-acre parcel of land acquired by the Company on May 10, 2018. As of December 31, 2018, the balance due on this note was \$98,198 (as at December 31, 2017 - \$100,000).
- c) On May 10, 2018, the Company acquired the 60-acre parcel of farmland currently being used by the Company for its farming operations. In consideration for the land, the Company has assumed a \$210,000 note payable from a company controlled by the President and the Chief Operating Officer of the Company. The note is secured by the 60-acre parcel of land and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on May 19, 2019. As at December 31, 2018, the balance due on this note was \$210,000 (2017 - \$nil).
- d) On May 10, 2018, the Company acquired an 80-acre parcel of farmland currently being used by the Company for its farming operations. In consideration for the land, the Company has assumed a \$280,000 note payable from a company controlled by the President of Global NV and the Chief Operating Officer of Global NV. The note is secured by the 80-acre parcel of land and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on March 1, 2019. As at December 31, 2018, the balance due on this note was \$280,000 (2017 - \$nil).
- e) On July 31, 2018, an investor advanced \$121,200 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on September 30, 2018. On October 24, 2018, the principal and accrued interest of \$127,791 was repaid in full.
- f) On June 15, 2018, the Company assumed an additional \$40,000 note payable from a company controlled by the President and the Chief Operating Officer of the Company in consideration for the 80-acre land the Company acquired on May 10, 2018. The note is secured by the 80-acre parcel of land and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on March 1, 2019. On October 26, 2018, the Company repaid the principal balance of \$40,000. As at December 31, 2018, there was accrued interest payable of \$1,723 included in accounts payable and accrued liabilities.

Global NV Corp.

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10. NOTES PAYABLE (Continued)

- g) On August 31, 2018, an investor advanced \$30,300 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on September 30, 2018. On October 24, 2018, the principal and accrued interest of \$31,948 was repaid in full.
- h) On September 11, 2018, an investor advanced \$30,300 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on October 11, 2018. On October 24, 2018, the principal and accrued interest of \$31,609 was repaid in full.
- i) On September 19, 2018, an investor advanced \$101,000 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on October 19, 2018. On October 24, 2018, the principal and accrued interest of \$104,652 was repaid in full.

11. CONVERTIBLE DEBT

On February 1, 2018, an investor advanced \$600,000 to the Company in exchange for a convertible promissory note. The note is unsecured and bears interest at a rate of 8% per annum. The principal and balance shall be amortized over 60 months and paid in monthly instalments of principal and interest. On the formation of the Company Global NV Corp. the entire unpaid principal will be converted into shares of the Company. If the note is converted within one year of the issuance date, there no interest shall be due.

During April and May 2018, investors advanced a total of \$175,000 to the Company in exchange for convertible promissory notes. The notes are unsecured and bear interest at a rate of 8% per annum. The principal and balance shall be amortized over 60 months and paid in monthly instalments of principal and interest. On the formation of the Company Global NV Corp. the entire unpaid principal balances will be converted into shares of the Company. If the note is converted within one year of the issuance date, there no interest shall be due.

On May 31, 2018, the \$775,000 in outstanding convertible promissory notes were converted into common shares of the Company (Note 13).

On September 20, 2018, the Company closed the first tranche of a brokered private placement of convertible debt (the "Debentures"), issuing \$1,580,000 in Debentures and 790,000 common share purchase warrants (the "Investor Warrants"), net of \$160,750 cash transaction costs.

On October 2, 2018, the Company closed the second and final tranche of a brokered private placement of convertible debt, issuing a further \$2,020,000 in Debentures and 1,010,000 in Investor Warrants, net of \$208,500 cash transaction costs.

The Debentures mature on October 2, 2019, bear interest at a rate of 8% per annum, payable quarterly and are convertible at the option of the holder into common shares of the Company at a price of \$1.00 per share at any time prior to maturity. The conversion price is reduced to \$0.70 per share in the event that the Company is not publicly traded by March 31, 2019, or for the 12 months ended March 31, 2019 or for the 12 months ended March 31, 2019 does not produce at least \$5,000,000 in crop value, whether in sales revenue or inventory value, and \$2,000,000 EBITDA. The estimated relative fair value of the conversion feature was \$304,964 using the Black-Scholes Option Pricing Model with the following assumptions: exercise price of \$1.00; an annualized volatility of 150%; a forfeiture rate of 0%, an expected life of 3.0 years; a dividend yield of 0%; and a risk-free rate of 2.88%. The Debentures are unsecured, and the Company has the right to prepay the Debentures in whole or in part at any time prior to maturity, with 30 days' notice.

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11. CONVERTIBLE DEBT (Continued)

Each Investor Warrant entitles the holder to acquire one common share of the Company at a price of \$2.00 per share for a period of three years. The exercise price is reduced to \$1.00 per share in the event that the Company is not publicly traded by March 31, 2019 or, for the 12 months ended March 31, 2019, does not produce at least \$5,000,000 in crop value, whether in sales revenue or inventory value, and \$2,000,000 EBITDA. The Investor Warrants are transferable. The estimated relative fair value of the warrants granted was \$152,482 using the Black-Scholes Option Pricing Model with the following assumptions: exercise price of \$1.00; an annualized volatility of 150%; a forfeiture rate of 0%, an expected life of 3.0 years; a dividend yield of 0%; and a risk-free rate of 2.88%.

The broker of this transaction was granted a commission of 540,000 share purchase warrants to purchase common shares at an exercise price of \$1.00 per share expiring on October 2, 2023 and 270,000 share purchase warrants to purchase common shares at an exercise price of \$2.00 per share expiring on October 2, 2023. The estimated fair value of the warrants granted was \$730,261 determined using the Black-Scholes Option Pricing Model with the following assumptions: exercise price of \$1.00 - \$2.00; an annualized volatility of 150%; a forfeiture rate of 0%; an expected life of 5.00 years; a dividend yield of 0%; and a risk-free rate of 2.94%.

The Debentures include both a liability component for the contractual cash flows and an equity component for the conversion feature and the investor warrants. The Debentures were discounted on issuance to \$2,942,871 to approximate their fair value with a discount rate which reflects the Company's borrowing rate estimated to be at 36%.

In connection with closing of the Debentures, the Company incurred cash transaction costs of \$369,250 and issued brokers' warrants of \$730,261 for a total of \$1,099,511 in issuance costs. These costs have been pro-rated between the Debenture, the equity conversion feature and the investor warrants, in the amounts of \$900,831, \$132,454 and \$66,225 respectively. The \$1,099,511 has been deducted from the carrying value of the debt and will be recognized over the term of the debenture using the effective interest rate method.

The carrying value of the liability component of the debentures is accreted using the effective interest rate method over the term of the debenture, such that the carrying amount will equal the total face value of the debenture at maturity.

A continuity of convertible debt for the year ended December 31, 2018 is as follows:

		Face Value		Carrying value
Balance, January 1, 2018	\$	-	\$	-
Issued during the period		4,375,000		3,717,871
Settled with the issuance of common shares		(775,000)		(775,000)
Transaction costs		-		(900,831)
Interest expense		-		75,169
Accretion		-		394,069
Repayment of interest		-		(75,169)
Balance, December 31, 2018	\$	3,600,000	\$	2,436,109

12. ACQUISITION AND FORMATION OF SUBSIDIARIES

NV Global Corp. was created for the sole exclusive purpose to continue the business and operations of Strasburg Pharms, LLC and SMBT LLC.

Global NV Corp.

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12. ACQUISITION AND FORMATION OF SUBSIDIARIES

On May 31, 2018, the Company completed a recapitalization transaction where the Company acquired 100% of the membership units of Strasburg Pharms LLC ("Strasburg") and SMBT, LLC ("SMBT"). In exchange, the Company issued a total of 7,423,387 common shares to the members of Strasburg and SMB. The ongoing company has adopted the name Global NV Corp. These consolidated financial statements presents the results of the Company with the exception of the common stock which has been retroactively restated to reflect the recapitalization.

On April 23, 2018, the Company formed Global Sciences LLC ("Global Sciences") and issued 100 units from the members to the Company at a price of \$0.20 per unit representing 100% of the outstanding units of Global Sciences.

On May 1, 2018, the Company acquired 1,000 units from the members of SMBT at a price of \$0.02 per unit representing 100% of the outstanding units of SMBT, obtaining control of SMBT.

On May 1, 2018, the Company acquired 2,000 units from the members of CannaOil Inc. ("CannaOil") at a price of \$0.01 per unit representing 100% of the outstanding units of CannaOil, obtaining control of CannaOil.

13. SHARE CAPITAL

a. Authorized capital

The Company is authorized to issue 11,000,000 shares of common stock without par value.

b. Issued capital

Effective June 1, 2018, the Company issued a 10% stock dividend, treated as an 11 for 10 stock split, issuing 11 common shares for every 10 common shares outstanding. Immediately subsequent to the stock dividend, the Company effected a reverse stock split on an eight for one basis. All shares and per share amounts have been retroactively restated to give effect to these transactions.

During the year ended December 31, 2018, the Company completed the following transactions:

- a) On May 31, 2018, the Company issued 7,423,387 common shares to the members of Strasburg. In exchange, Strasburg members transferred 722,800 units to the Company representing 100% of the outstanding units of Strasburg.
- b) On May 31, 2018, the Company issued 175,529 common shares at a price of \$1.00 to settle debt of \$175,000 for outstanding notes payable (Note 10).
- c) On May 31, 2018, the Company issued 2,532,634 common shares at a price of \$1.00 to settle debt of \$600,000 for outstanding notes payable (Note 10). In connection with the debt settlement, the Company recorded a loss on settlement of debt of \$1,935,634.
- d) On October 24, 2018, the Company entered into an agreement with a consultant to issue shares for services. On each of October 31, 2018 and January 30, 2019, 60,000 common shares of Global shall be issued for a total of 120,000 common shares. The services were valued at \$60,000. On October 31, 2018, the Company issued 60,000 common shares and recorded a share-based payment expense of \$50,000 related to these services.

During the year ended December 31, 2017, the Company completed the following transactions:

- a) On May 17, 2017, Strasburg issued 12,950 membership units of Strasburg at a price of \$4.79 to settle debt of \$62,068 for outstanding notes payable.

Global NV Corp.

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13. SHARE CAPITAL (Continued)

- b) On May 25, 2017, Strasburg issued 25,900 membership of Strasburg units at a price of \$4.33 to settle debt of \$112,068 for outstanding notes payable.
- c) On June 7, 2017, Strasburg issued 12,950 membership units of Strasburg at a price of \$4.79 to settle debt of \$62,068 for outstanding notes payable.
- d) On December 31, 2017, Strasburg issued 27,500 membership units of Strasburg at a price of \$0.79 to settle debt of \$29,868 for outstanding loans.
- e) On December 31, 2017, Strasburg issued 643,498 membership units of Strasburg at a price of \$0.79 to settle debt of \$509,144 for outstanding loans.

c. Warrants

A summary of warrant activity for the years ended December 31, 2018 and 2017 is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, December 31, 2017 and 2016	-	-
Issued	3,319,191	1.59
Outstanding, December 31, 2018	3,319,191	\$ 1.59

On July 31, 2018, the Company issued 607,876 share warrants to a consultant in exchange for services. Each warrant entitles the consultant to acquire one common share per warrant at a price of \$1.00 per share on or before the expiry date of July 31, 2021. The estimated fair value of the warrants granted was determined using the Black-Scholes Option Pricing Model with the following assumptions: stock price at grant date of \$1.00; an annualized volatility of 150%; a forfeiture rate of 0%; an expected life of 3.00 years; a dividend yield of 0%; and a risk-free rate of 2.85%. The Company recorded a share-based payment expense of \$495,049 related to these warrants.

On October 1, 2018, the Company issued 101,315 share warrants to a consultant in exchange for services. Each warrant entitles the consultant to acquire one common share per warrant at a price of \$0.02 per share on or before the expiry date of August 31, 2023. The estimated fair value of the warrants granted was determined using the Black-Scholes Option Pricing Model with the following assumptions: stock price at grant date of \$1.00; an annualized volatility of 150%; a forfeiture rate of 0%; an expected life of 4.92 years; a dividend yield of 0%; and a risk-free rate of 2.96%. The Company recorded a share-based payment expense of \$100,539 related to these warrants.

As at December 31, 2018, the Company had outstanding share purchase warrants as follows:

Number of warrants	Exercise price	Expiry date
607,876	\$1.00	July 31, 2021
790,000	\$2.00	September 20, 2021
1,010,000	\$2.00	October 1, 2021
101,315	\$0.02	August 31, 2023
540,000	\$1.00	October 2, 2023
270,000	\$2.00	October 2, 2023
3,319,191		

The weighted-average remaining contractual life of warrants outstanding at December 31, 2018 was 3.26 years.

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14. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties and related party transactions impacting the financial statements not disclosed elsewhere in these financial statements are summarized below.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Remuneration attributed to key management personnel for the years ended December 31, 2018 and 2017 are summarized as follows:

		2018		2017
Management fees	\$	132,693	\$	-
	\$	132,693	\$	-

Other related party transactions and balances

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied and a note payable was issued for the balance of \$268,000 (Note 10).

As at December 31, 2018 the current portion of the carrying value of this note was \$111,015 (2017 - \$nil), and the long-term portion of the carrying value was \$nil (2017 - \$155,004) for a total carrying value of \$111,015 (2017 - \$155,004).

- b) On April 27, 2017, pursuant to the operating agreement, SMBT issued 500 member units upon incorporation to each of the President and Vice President at a price of \$1.00 per unit for a total of 1,000 units. In consideration for the units, an operating loan due to a company controlled by the President and Vice President was reduced by \$1,000.
- c) On December 31, 2017, \$509,144 of an operating loan due equally in part to the President and the Vice President was converted into 643,498 units of the Company.
- d) As at December 31, 2018, a revolving promissory note due to a company controlled by the President and the Vice President had a balance of \$475,087 (2017 - \$434,493) and was included in due to related parties. The note is unsecured, bears interest at 5% per annum, has payments of interest only due monthly with advances due on demand and expires on December 31, 2024. As at December 31, 2018, the note accrued interest of \$Nil (2017 - \$52,572) included in accounts payable and other liabilities. Subsequent to year-end, the Company entered into a loan modification agreement to modify the maturity date (Note 21).
- e) On September 1, 2018, a company jointly controlled by the President of the Company and the Chief Operating Officer of the Company advanced \$7,500 to the Company in exchange for a promissory note. The note is unsecured and bears interest at 6% per annum. Payments of interest only are due monthly on the first day of every calendar month starting January 1, 2018 with payment in full at maturity on December 31, 2019. Should the Company default on an interest payment, the interest rate shall increase to 12% per annum. As of December 31, 2018, the balance due on this note was \$7,612 (2017 - \$nil), the principal balance of \$7,500 has been included in due to related parties, and accrued interest of \$112 has been included in accounts payable and other liabilities.
- f) During the year ended December 31, 2018, the Company incurred \$17,608 in rental fees to a company jointly controlled by the President and Chief Operating Officer.

Global NV Corp.

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14. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

- g) As at December 31, 2018, accounts payable and other liabilities included rental fees of \$16,528 (2017 - \$nil) due to a company jointly controlled by the President and Chief Operating Officer.
- h) As at December 31, 2018, accounts payable and other liabilities included salaries and wages of \$12,500 (2017 - \$nil) due to the President of the Company.

15. GENERAL AND ADMINISTRATIVE EXPENSES

December 31,	2018	2017
Bad debt expense	\$ 2,250	\$ 16,701
Office expenses	92,857	19,604
Professional fees	253,409	24,309
Rent	132,144	52,700
Salaries	814,654	20,000
Small tools and equipment	149,895	132,516
Travel	43,250	-
Utilities and services	41,852	35,708
	\$ 1,530,311	\$ 301,538

16. SUPPLEMENTAL CASH FLOW INFORMATION

Significant non-cash transactions during the years ended December 31, 2018 and 2017 affecting cash flows from investing and financing activities included:

December 31,	2018	2017
Notes payable converted into shares (Note 11)	\$ 775,000	\$ 236,203
Operating loan converted into shares (Note 10, 11)	\$ -	\$ 539,013
Deposit reclassified to land	\$ 117,528	\$ -
Mortgage assumed for land	\$ 530,000	\$ -
December 31,	2018	2017
Cash paid for interest	\$ 133,280	\$ 6,229
Cash paid for income taxes	-	-

17. COMMITMENTS

Lease agreements:

On October 6, 2014, the Company entered into a lease agreement for 30 acres of agricultural property. The lease term is for October 6, 2014 to October 5, 2019 with a monthly rental fee of \$2,500 per month from October 6, 2014 through to October 5, 2015, and \$2,083 per month from October 6, 2015 through to October 5, 2019.

October 25, 2018, Global NV Corp. entered into a five-year lease commencing January 1, 2019 for approximately 12,161 square feet of industrial flex space for its new offices, as well as processing and warehousing facility.

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17. COMMITMENTS (Continued)

The Company's contractual commitments under these leases are as follows:

		Amount
Not later than one year	\$	194,576
Later than one year and not later than five years		838,257
	\$	1,032,833

18. INCOME TAX

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

Effective January 1, 2018, the enacted statutory tax rate is 21%. The reconciliation of the provision for income taxes at the United States federal statutory rate compared to the Company's income tax expense as reported is as follows:

	December 31, 2018	December 31, 2017
Net loss for the year before taxes	\$ (2,549,438)	\$ -
Statutory income tax rate	21%	21%
Expected income tax recovery at statutory rate	(535,000)	-
Permanent differences and other	630,000	-
Change in deferred tax assets not recognized	21,000	-
Income tax expense	116,000	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	December 31, 2018	December 31, 2017
Non-capital loss carry forwards	4,000	-
Property, plant and equipment	17,000	-
Deferred income tax assets not recognized	(21,000)	-
	-	-

The Company has non-capital losses carried forward of approximately \$19,000 available to reduce income taxes in future years which carry forward indefinitely.

19. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to support its business plan, as well as to ensure that the Company is able to meet its financial obligations as they become due. The capital structure consists of notes payable and owners' equity comprising of owners' capital, capital reserve and retained earnings.

The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Company may issue new shares through private placement, incur debt or return capital to shareholders.

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19. CAPITAL MANAGEMENT (Continued)

The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes to the Company's approach to capital management during the year ended December 31, 2018.

20. RISK MANAGEMENT AND LIQUIDITY

The Company is exposed, through its operations, to the following financial risks:

- a) Market risk
- b) Credit risk
- c) Liquidity risk

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies, and processes:

Management have overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Managers review the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of the Managers is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

- a) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates and equity price risk.

- (i) Foreign currency risk:

The Company's functional and reporting currency is the United States dollar and major purchases are transacted in United States dollars. As a result, the Company's exposure to the foreign currency risk is minimal.

- (ii) Interest rate risk:

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The interest earned on cash is insignificant and the Company does not rely on interest income to fund its operations.

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20. RISK MANAGEMENT AND LIQUIDITY (Continued)

(iii) Equity price risk:

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impacts on the Company's earnings due to movements in individual equities or the general movements in the level of the stock market. The Company's shares are not yet publicly traded, and the Company does not hold equity investments in other entities. As a result, the Company is not at a significant risk to fluctuating equity prices.

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company is subject to credit risk on its cash and accounts receivable. The Company limits its exposure to credit loss on cash by placing its cash with a high-quality financial institution. The Company has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated amongst a small number of customers. The Company performs credit evaluations of its customers but generally does not require collateral to support accounts receivable.

The Company has certain amounts of aged receivables that are not deemed impaired as follows:

Aging of accounts receivable	2018	2017
1 - 60 days	\$ 75,000	\$ -
61 - 90 days (past due)	-	-
Over 90 days (past due)	-	3,569
Total	\$ 75,000	\$ 3,569

The Company is exposed to increased credit risk due to major customers that comprise 10% or more of revenue. For the years ended December 31, 2018 and 2017 the following revenue was recorded from major customers:

Amount of revenue from major customers	2018	2017
Customer A	\$ -	\$ 41,977
Customer B	\$ 225,000	\$ -
Customer C	\$ 190,000	\$ -
Customer D	\$ 75,000	\$ -

c) Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities, when feasible.

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20. RISK MANAGEMENT AND LIQUIDITY (Continued)

The table below summarizes the maturity profile of the Company's financial liabilities at December 31, 2018 and 2017:

As at December 31, 2018	On demand	Less than 1 year	1 -2 years	Later than 2 years	Total
Trade payables	\$ 146,420	\$ -	\$ -	\$ -	\$ 146,420
Other liabilities	87,337	-	-	-	87,337
Loans payable to related parties	483,587	-	-	-	483,587
Notes payable	-	699,213	-	-	699,213
Convertible debt	-	2,436,109	-	-	2,436,109
Total liabilities	\$ 716,343	\$ 3,135,322	\$ -	\$ -	\$ 3,852,666

As at December 31, 2017	On demand	Less than 1 year	1 -2 years	Later than 2 years	Total
Trade payables	\$ 753	\$ -	\$ -	\$ -	\$ 753
Other liabilities	65,105	-	-	-	65,105
Loans payable to related parties	434,493	-	-	-	434,493
Notes payable	-	100,000	155,004	-	255,004
Total liabilities	\$ 500,351	\$ 100,000	\$ 155,004	\$ -	\$ 755,355

21. SUBSEQUENT EVENTS

- On January 1, 2019, the Company entered into a loan modification agreement by which the maturity date of a revolving promissory note (note 14) was modified to be payable, both interest and principal, on the maturity date of December 31, 2024.
- On January 30, 2019, the Company issued 60,000 common shares pursuant to an agreement with a consultant to issue shares for services.
- During March 2019, convertible debentures of \$175,000 were converted to 175,000 common shares of the Company at \$1.00 per share.
- On March 7, 2019, the Company entered into a loan modification agreement by which the maturity date of a note payable of \$100,000 was extended to December 31, 2020.
- On February 15, 2019, the Company entered into a debt settlement agreement to issue 100,000 common shares for the settlement of \$41,000 in an outstanding accounts payable balance.
- On March 15, 2019, the Company entered into an agreement by which the maturity date of a note payable of \$210,000 was extended to March 15, 2021. In connection with this agreement, the Company issued 1,715 common shares for consideration of the extension.
- On March 15, 2019, the Company entered into an agreement by which the maturity date of a note payable of \$280,000 was extended to March 15, 2021. In connection with this agreement, the Company issued 2,285 common shares for consideration of the extension.
- During April 2019, the Company issued 101,315 common shares pursuant to warrant exercises for proceeds of \$2,026.

Global NV Corp.

Notes to Consolidated Financial Statements

For the years ended December 31, 2018 and 2017

(Expressed in United States dollars)

21. SUBSEQUENT EVENTS

- i) On May 8, 2019, the Company entered into a debt settlement agreement to issue 26,112 common shares for the settlement of \$26,112 in an outstanding accounts payable balance.
- j) On May 13, 2019, an investor advanced \$262,500 to the Company in exchange for a promissory note. The note bears interest at a rate of 3% per annum, interest accrues monthly paid in weekly instalments, with remaining interest and principal due at maturity on May 31, 2020. The note is secured against the Company's biomass inventory and proceeds from the sale of biomass through a Biomass Processing Agreement. In connection with this agreement, the Company issued 20,000 warrants. The warrants are exercisable for one common share at an exercise price of \$1.25 on or before May 31, 2020.
- k) On May 14, 2019, the Company issued 40,000 warrants to a consultant for services provided to the Company. The warrants are exercisable for one common share at an exercise price of \$1.75 (CAD \$2.50) on or before May 31, 2020.
- l) On May 15, 2019, the Company issued 20,000 common shares for gross proceeds of \$25,000.

Global NV Group

Combined Financial Statements for the Years Ended
December 31, 2017 and 2016

(Expressed in United States Dollars)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Strasburg Pharms, LLC and SMBT, LLC. ("Global NV Group")

We have audited the accompanying combined financial statements of Global NV Group, which are comprised of the combined statements of financial position as at December 31, 2017 and 2016, and the combined statements of net loss and comprehensive loss, changes in owners' equity (deficiency) and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the financial position as at December 31, 2017 and qualified opinion on the financial position as at December 31, 2016 and the financial performance and cash flows for the years ended December 31, 2017 and 2016.

Basis for Qualified Opinion

Because we were appointed auditors of Global NV Group during 2018, we were not able to observe the counting of the physical inventories as at December 31, 2016 and December 31, 2015 or satisfy ourselves concerning those inventory quantities by alternative means. Since opening inventories affect the determination of the financial performance and cash flows, we were unable to determine whether adjustments to the financial performance and cash flows might be necessary for the years ended December 31, 2017 and 2016. Our audit opinion on the financial position as at December 31, 2016 and for the years ended December 31, 2017 and 2016 was modified accordingly. Our opinion on the current year's combined financial statements is also modified because of the possible effects of this matter on the comparability of the current period's figures and the comparative information.

Qualified Opinion

In our opinion, except for the possible effects on the financial position as at December 31, 2016 and financial performance, cash flows and comparative information for the years ended December 31, 2017 and 2016 of the matter described in the Basis for Qualified Opinion paragraph, the combined statements of loss and comprehensive loss, changes in owners' equity (deficiency) and cash flows present fairly, in all material respects, the financial performance and cash flows of Global NV Group for the years ended December 31, 2017 and 2016 in accordance with International Financial Reporting Standards.

An independent firm associated with
Moore Stephens International Limited

MOORE STEPHENS

Opinion on the Financial Position at December 31, 2017

In our opinion, the combined statement of financial position presents fairly, in all material respects, the combined financial position of Global NV Group as at December 31, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Global NV Group's ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
December ___, 2018

Global NV Group

Combined Statements of Financial Position
As at December 31, 2017 and 2016
(Expressed in United States Dollars)

	Notes	2017	2016
ASSETS			
Current assets			
Cash		\$ 4,286	\$ 6,679
Trade accounts receivable	15	3,569	4,996
Prepaid expenses	6	7,583	14,050
Deposits on land purchases		117,528	-
Inventory	7	513,258	76,800
Total current assets		646,224	102,525
Property and equipment	8	253,331	199,416
Total assets		\$ 899,555	\$ 301,941
LIABILITIES AND OWNERS' EQUITY (DEFICIENCY)			
Current liabilities			
Accounts payable and other liabilities		\$ 65,856	\$ 84,266
Due to related parties	11	434,493	475,002
Current portion of notes payable	9	100,000	-
Total current liabilities		600,349	559,268
Notes payable	9,11	155,004	300,218
Total liabilities		755,353	859,486
Owners' equity (deficiency)			
Owners' capital	10	775,216	-
Deficit		(631,014)	(557,545)
Total owners' equity (deficiency)		144,202	(557,545)
Total liabilities and owners' equity (deficiency)		\$ 899,555	\$ 301,941

Nature of operations and going concern (Note 1)
Commitments (Note 13)
Subsequent events (Note 16)

The accompanying notes form an integral part of these combined financial statements

Global NV Group

Combined Statements of Net Loss and Comprehensive Loss
For the years ended December 31, 2017 and 2016
(Expressed in United States Dollars)

		2017	2016
Sales	\$	338,271	\$ 264,389
Cost of sales (recovery)			
Unrealized changes in fair value of biological assets	7	(143,058)	193,197
Cost of sales		76,800	187,754
Total cost of sales		(66,258)	380,951
Gross profit (loss)		404,529	(116,562)
General and administrative expenses		310,228	178,365
Depreciation	8	27,506	17,719
Total operating expenses		337,734	196,084
Income (loss) from operations		66,795	(312,646)
Other expenses			
Write-off of property deposit		(15,000)	-
Accretion expense	9	(68,786)	-
Interest expense		(56,478)	(36,464)
Net loss and comprehensive loss for the year	\$	(73,469)	\$ (349,110)
Weighted average number of units		241,163	-
Basic and diluted earnings per unit	\$	(0.30)	\$ -

Global NV Group

Combined Statement of Changes in Owners' Equity (Deficiency)

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

	Notes	Owner capital		Amount	Deficit	Total
		Number of units (Strasburg)	Number of units (SMBT)			
Balance, December 31, 2015		2	-	\$ -	\$ (62,217)	\$ (62,217)
Repurchase of ownership interest	9	-	-	-	(146,218)	(146,218)
Net loss for the year		-	-	-	(349,110)	(349,110)
Balance, December 31, 2016		2	-	-	(557,545)	(557,545)
Units issued for debt settlement	10,11	722,798	1,000	775,216	-	775,216
Net loss for the year		-	-	-	(73,469)	(73,469)
Balance, December 31, 2017		722,800	1,000	\$ 775,216	\$ (631,014)	\$ 144,202

Global NV Group

Combined Statements of Cash Flows

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

	2017	2016
Operating activities		
Net loss for the year	\$ (73,469)	\$ (349,110)
Items not affecting cash:		
Unrealized changes in fair value of biological assets	(143,058)	193,197
Accretion	68,786	-
Depreciation	27,506	17,719
Non-cash working capital items:		
Trade accounts receivable	1,427	(4,996)
Inventory	(293,400)	(82,243)
Prepaid expenses	6,467	(3,088)
Accounts payable	4,793	58,360
Proceeds received from related party advances	497,504	257,935
Net cash provided by operating activities	96,556	87,774
Investing activities		
Deposits on land acquisitions	(117,528)	-
Acquisition of equipment	(81,421)	(59,843)
Net cash used in investing activities	(198,949)	(59,843)
Financing activities		
Proceeds received from issuance of notes payable	100,000	-
Repurchase of ownership interest	-	(32,000)
Net cash provided by (used in) financing activities	100,000	(32,000)
Change in cash	(2,393)	(4,069)
Cash, beginning of the year	6,679	10,748
Cash, end of the year	\$ 4,286	\$ 6,679

Supplemental cash flow information (Note 12)

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Global NV Group (the "Group"), refers to the entities Strasburg Pharms, LLC ("Strasburg"), incorporated on September 23, 2014, and SMBT, LLC ("SMBT"), incorporated on April 27, 2017. Both entities are limited liability companies incorporated under the provisions of the Colorado Revised Statutes (Colorado).

The Group's head office and principal address is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228. The registered offices of both Strasburg and SMBT are located at 1085 Pleasure Lane, Henderson, Nevada, 89002. The records office is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228.

The Group is in the business of Cannabidiol farming, processing and product manufacturing.

These combined financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Group will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. During the year ended December 31, 2017 the Group had negative cash flows from operations, and as at December 31, 2017 had working capital and an accumulated deficit of \$45,875 and \$631,014 respectively. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The Group's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. From time to time, the Group generates working capital to fund its operations by raising additional capital through equity or debt financing. However, there is no assurance it will be able to continue to do so in the future. These combined financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying combined financial statements.

2. BACKGROUND AND BASIS OF PRESENTATION

The combined financial statements were approved and authorized for issuance on November 21, 2018 by the Members of Strasburg Pharms and SMBT.

a) Basis of Presentation, Functional Currency and Basis of Combination

These combined financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The combined financial statements of the Group have been prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value. The combined financial statements are presented in United States dollars, the Group's functional currency, unless otherwise noted. These combined financial statements include the financial information of Strasburg and SMBT.

Some sales of the Group's products are made by SMBT. Pursuant to the operating agreements, the managers of Strasburg have the ability to direct the activities of SMBT. Strasburg does not have a direct ownership interest in SMBT; however, because Strasburg Pharms as the sole operator, is entitled to substantially all of the variable returns of SMBT the financial statements are presented on a combined basis. All inter-company balances and transactions have been eliminated upon combination.

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash, when applicable, are designated as fair value through profit or loss ("FVTPL") and include cash on account, demand deposits and money market investments with maturities from the date of acquisition of 90 days or less, which are readily convertible to known amounts of cash and are subject to insignificant changes in value. As at December 31, 2017, the Group had no cash equivalents.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of estimated returns and discounts. The Group considers the terms of the sales contracts as well as industry practices, taking into consideration the type of customer, the nature of the transaction and the specific circumstances of each arrangement.

The Group's revenue is comprised of sales of Cannabidiol and other oil products, hemp biomass, and hemp flower. The Group recognizes revenues on product sales at the time the product is delivered. At the time of delivery, the following criteria for revenue recognition are met: title has transferred to the customer according to the shipping terms, the Group no longer retains managerial involvement with the product associated with ownership, the amount of revenue and costs incurred with respect to the underlying transaction are measured reliably, and collection of the related receivable is probable. Anticipated product returns are provided for at the time of sale. During the year ended December 31, 2017, the Group recognized revenue in the amount of \$250,000 in respect of a security deposit forfeited in exchange for a quantity of harvested hemp biomass.

Trade accounts receivable

Trade receivables are recognized initially at fair value less allowances made for doubtful receivables based on a review of year-end trade receivables, and do not carry any interest. An allowance for doubtful accounts receivables is generally made when there is objective evidence that the Group will not be able to collect the amounts due according to original payment terms or when there are indications of collection issues related to specific customers.

Biological assets

The Group measures biological assets consisting of hemp biomass at fair value less cost to sell up to the point of harvest, which becomes the basis for the cost of finished goods inventories after harvest.

Net unrealized gains or losses arising from the changes in fair value less cost to sell during the year are included in the results of operations for the related year.

Inventory

Inventories of harvested finished goods are initially valued at cost and subsequently at the lower of cost and net realizable value. Inventories of harvested hemp biomass and hemp flower are transferred from biological assets at their fair value less costs to sell at harvest which becomes the deemed cost. Any subsequent post-harvest costs are capitalized to inventory to the extent that the cost is less than net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the average cost basis. Products for resale and supplies and consumables are valued at cost.

The Group reviews inventory for obsolete, redundant and slow-moving goods and any such inventory are written-down to net realizable value.

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property and equipment are recorded at cost less accumulated depreciation and impairment losses. The Group provides for depreciation using the following methods at rates designed to depreciate the cost of the equipment over their period of expected useful life. A half year of depreciation is recorded in the year of acquisition. No depreciation is recorded in the year of disposal or on assets under construction. The estimated useful lives of assets are reviewed by management and adjusted if necessary. The annual depreciation rates and methods are as follows:

Asset	Rate	Basis
Farm Tools & Equipment	30%	Declining balance
Greenhouses	15 years	Straight-line

Cost includes expenditures that are directly attributable to the acquisition of the asset or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Group, including appropriate borrowing costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to profit or loss during the period they are incurred.

Owners' capital

Membership Units are classified as owners' equity. Incremental costs directly attributable to the issue of membership units are recognized as a deduction from equity, net of any tax effects.

Transaction costs incurred in connection with the issuance of membership units are capitalized until the financing is completed. In the event that the financing is not completed, these costs are expensed to profit or loss.

Financial instruments

All financial instruments are initially recognized at fair value. The Group has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in profit or loss. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax.

Financial assets "held-to-maturity", "loans and receivables", and "other financial liabilities" are subsequently measured at amortized cost using the effective interest method. The Group's financial assets and liabilities are recorded and measured as follows:

Asset or Liability	Category	Measurement
Cash	FVTPL	Fair value
Trade accounts receivable	Loans and receivables	Amortized cost
Accounts payable and other liabilities	Other liabilities	Amortized cost
Due to related parties	Other liabilities	Amortized cost

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

	Notes payable	Other liabilities	Amortized cost

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

The Group determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash is measured at fair value using Level 1 inputs. There has been no change between the fair value levels during the years ended December 31, 2017 and 2016.

Earnings (loss) per unit

Earnings (loss) per unit is computed by dividing net loss available to unitholders by the weighted average number of units outstanding during the reporting period. Diluted earnings per unit is computed similar to basic loss per unit except that the weighted average units outstanding are increased to include additional units for the assumed exercise of unit options and warrants, if dilutive. The number of additional units is calculated by assuming that outstanding unit options and warrants were exercised and that the proceeds from such exercises were used to acquire membership units at the average market price during the reporting periods. The loss per unit for the years ended December 31, 2017 and 2016 was calculated based on the conversion of units into common shares subsequent to December 31, 2017 (Note 16).

Accounting standards Issued but not yet effective

The standards and interpretations that are issued up to the date of issuance of the Group's financial statements and applicable to the Group, but were not effective during the year ended December 31, 2017, are disclosed below. The following have not yet been adopted by the Group and are being evaluated to determine their impact.

The following standards are effective for annual periods beginning on or after January 1, 2018:

IFRS 9 Financial Instruments - IFRS 9 includes requirements for classification and measurement of financial assets and financial liabilities; impairment methodology for financial instruments; and general hedge accounting. IFRS 9 has specific requirements for whether debt instruments are accounted for at amortized cost, fair value through other comprehensive income or fair value through profit or loss. IFRS 9 requires equity instruments to be measured at fair value through profit or loss unless an irrevocable election for use of fair value through other comprehensive income which results in changes in fair value not being recycled to the income statement.

IFRS 15 Revenue from Contracts with Customers – IFRS 15 contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized.

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting standards Issued but not yet effective (continued)

The following standards are effective for annual periods beginning on or after January 1, 2019:

IFRS 16 Leases - IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. Instead, all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments.

Management is currently evaluating any impact that the above standards may have on the Group's combined financial statements and this assessment has not yet been finished.

4. CRITICAL ACCOUNTING ESTIMATES

The preparation of these combined financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the combined financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These combined financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the combined financial statements and may require accounting adjustments based on future occurrences.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, related to, but are not limited to, the following:

Biological Assets

The Group measures biological assets consisting of hemp biomass at fair value less cost to sell up to the point of harvest, which becomes the basis for the cost of finished goods inventories after harvest. The transfer of the fair value of biological assets to inventory may increase or decrease the deemed cost of ending inventory. In calculating the fair value of biological assets, management is required to make a number of estimates including wastage, expected yields, selling price and costs to sell at the point of harvest, and percentage of costs incurred for each stage of plant growth.

Inventory

In calculating final inventory values, management is required to determine an estimate of spoiled or expired inventory and compares the inventory cost to estimated net realizable value.

Useful life of property and equipment

Property and equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and take into consideration the anticipated physical life of the asset, the potential for technological obsolescence, and regulations.

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

4. CRITICAL ACCOUNTING ESTIMATES (continued)

Carrying Value and Recoverability of Property, Plant, and Equipment

The Group has determined that property, plant, and equipment that are capitalized may have future economic benefits and may be economically recoverable. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factor such as economic and market conditions and useful lives of the assets.

Functional currency

The functional currency is the currency of the primary economic environment in which an entity operates and has been determined by the Group to be the United States dollar for the Group.

5. BASIS OF FAIR VALUE

The Group's financial instruments consist of cash, trade accounts receivable, accounts payable and other liabilities, and notes payable to related parties and investors. The fair value of the Group's trade accounts receivable, accounts payable and notes payable approximate the carrying value, which is the amount on the combined statements of financial position due to their short-term maturities or ability of prompt liquidation. The Group's cash is measured at fair value under the fair market hierarchy, based on level one quoted prices in active markets for identical assets. Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Group's financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy as at December 31, 2017:

	Level 1	Level 2	Level 3
Cash	\$ 4,286	\$ -	\$ -

6. PREPAID EXPENSES

The Group's prepaid expenses as at December 31, 2017 and 2016 consist of the following:

	2017	2016
Refundable deposits	\$ -	\$ 10,962
Legal retainers	-	1,005
Prepaid rent	7,583	2,083
	\$ 7,583	\$ 14,050

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

7. BIOLOGICAL ASSETS

The Group's biological assets consist of hemp plants. The continuity of biological assets for the years ended December 31, 2017 and 2016 is as follows:

	2017	2016
Biological assets, beginning	\$ -	\$ -
Production of biological assets	370,200	269,997
Unrealized changes in fair value of biological assets	143,058	(193,197)
Transfers to inventory upon harvest	(513,258)	(76,800)
Biological assets, ending	\$ -	\$ -

The significant assumptions used in determining the fair value of biological assets are as follows:

- wastage of plants based on their various stages of biological transformation;
- expected yields of each type biological asset;
- percentage of costs incurred at various stages of the biological transformation compared to the total costs are used to estimate the fair value of each type of biological asset; fair value less cost to sell at the point of harvest;
- percentage of costs incurred for each stage of plant growth was estimated.

The Group estimates the harvest yields for the plants at various stages of growth. The Group's estimates are, by their nature, subject to change. Changes in the anticipated yield will be reflected in future changes in the gain or loss on biological assets.

The Group's estimates are, by their nature, subject to change and differences from the anticipated yield will be reflected in the gain or loss on biological assets in future periods.

Global NV Group

Notes to Combined Financial Statements
For the years ended December 31, 2017 and 2016
(Expressed in United States Dollars)

8. PROPERTY AND EQUIPMENT

		Farm Tools & Equipment		Greenhouses		Total
<u>Cost</u>						
Balance, December 31, 2015	\$	23,925	\$	141,679	\$	165,604
Additions		20,171		39,672		59,843
Balance, December 31, 2016		44,096		181,351		225,447
Additions		67,710		13,710		81,420
Balance, December 31, 2017	\$	111,806	\$	195,061	\$	306,867
<u>Accumulated Depreciation</u>						
Balance, December 31, 2015	\$	3,589	\$	4,723	\$	8,312
Depreciation		6,857		10,862		17,719
Balance, December 31, 2016		10,446		15,585		26,031
Depreciation		14,699		12,806		27,505
Balance, December 31, 2017	\$	25,145	\$	28,391	\$	53,536
<u>Net Book Value</u>						
At December 31, 2016	\$	33,650	\$	165,766	\$	199,416
At December 31, 2017	\$	86,661	\$	166,670	\$	253,331

9. NOTES PAYABLE

			December 31, 2017		December 31, 2016	
	Nominal interest rate	Date of maturity	Face value	Carrying amount	Face value	Carrying amount
<u>Long term</u>						
Promissory note	12%	31/12/2019	\$ -	\$ -	\$ 100,000	\$ 100,000
Promissory note	12%	31/12/2019	-	-	50,000	50,000
Promissory note	12%	31/12/2019	-	-	50,000	50,000
Promissory note*	-	30/11/2019	268,000	155,004	282,000	100,218
					482,000	300,218
<u>Short term</u>						
Promissory note	10%	25/05/2018	100,000	100,000	-	-
			\$ 368,000	\$ 255,004	\$ 482,000	\$ 300,218

*(The difference between the face value and the carrying amount is attributed to the discount to approximate fair value using the assumptions described below.)

Global NV Group

Notes to Combined Financial Statements

For the years ended December 31, 2017 and 2016

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9. NOTES PAYABLE (continued)

On April 28, 2015, two investors advanced \$100,000 to the Group in exchange for a promissory note. The note is unsecured, bears interest at a rate of 12% per annum, with payments of principle and interest due annually starting December 31, 2016 and matures on December 31, 2019. The note contains a profit sharing provision of 0.004% of the previous 12 months profit at each payment due date. During the years ended December 31, 2016 and 2017, the Group had not earned profits; therefore, no profit sharing amounts were payable. On May 25, 2017, the remaining principal plus accrued interest of \$112,068 was converted into 25,900 units of the Group at a price of \$4.33 per unit. As at December 31, 2017, the balance due on this note including accrued interest was \$nil (2016 - \$110,416).

On May 7, 2015, an investor advanced \$50,000 to the Group in exchange for a promissory note. The note is unsecured, bears interest at a rate of 12% per annum, with payments of principle and interest due annually starting December 31, 2016 and matures on December 31, 2019. The note contains a profit sharing provision of 0.002% of the previous 12 months profit at each payment due date. During the years ended December 31, 2016 and 2017, the Group had not earned profits; therefore, no profit sharing amounts were payable. On May 17, 2017, the remaining principal plus accrued interest of \$62,068 was converted into 12,950 units of the Group at a price of \$4.79 per unit. As at December 31, 2017, the balance due on this note including accrued interest was \$nil (2016 - \$60,416).

On July 10, 2015, an investor advanced \$50,000 to the Group in exchange for a promissory note. The note is unsecured, bears interest at a rate of 12% per annum, with payments of principle and interest due annually starting December 31, 2016 and matures on December 31, 2019. The note contains a profit sharing provision of 0.002% of the previous 12 months profit at each payment due date. During the years ended December 31, 2016 and 2017, the Group had not earned profits; therefore, no profit sharing amounts were payable. On June 7, 2017, the remaining principal plus accrued interest of \$62,068 was converted into 12,950 units of the Group at a price of \$4.79 per unit. As at December 31, 2017, the balance due on this note including accrued interest was \$nil (2016 - \$60,416).

On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass from the most recent harvest valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied, and a note payable was issued for the \$268,000 balance. The \$268,000 note payable is unsecured and non-interest bearing, and is to be paid in variable monthly increments commencing in January 2017, in arrears, in an amount equal to the positive remainder, if any, of net sales revenue for the preceding month, minus \$26,000, and capped at \$20,000. Ownership in Strasburg was transferred effective January 1, 2016, 50% to the President and 50% to the Vice President. Subsequent to December 31, 2017, the terms of this note were renegotiated via court settlement. The new terms of the note include an adjusted remaining balance of \$249,500 as of May 11, 2018 (Note 16) and monthly payments of \$12,500 per month until paid implying a maturity date of November 30, 2019. The note was discounted on issuance to \$100,218 to approximate its fair value with a discount rate which reflects the Group's borrowing rate. During the year ended December 31, 2017, the Company recorded accretion of \$68,786 (2016: \$Nil) in respect of amortizing this debt discount. The carrying amount of this note as at December 31, 2017 was \$155,004 (2016 - \$100,218).

On May 25, 2017, an investor advanced \$100,000 to the Group in exchange for one-year promissory note and a 1.5% unit in the gross sales amount of the 2017 outdoor harvest due when sold in 2018. The note is secured by land owned by a company controlled by the President, bears an interest rate of 10% per annum, requires monthly interest payments, and a lump sum payment at the maturity date of May 25, 2018. As at December 31, 2017, the balance due on this note including accrued interest was \$100,000 (2016 - \$nil).

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10. OWNERS' CAPITAL

Authorized capital

Strasburg is authorized to issue 1,000,000 membership units without par value.

SMBT is authorized to issue 1,000 membership units without par value.

Issued capital of Strasburg

During the year ended December 31, 2016 Strasburg completed the following transactions:

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$32,000, 400lbs of hemp biomass from the most recent harvest valued at \$14,000 and a note payable with a fair value of \$100,218. Ownership was transferred effective January 1, 2016, 50% to the President and 50% to the Vice President.

During the year ended December 31, 2017 Strasburg completed the following transactions:

- a) On May 17, 2017, Strasburg issued 12,950 membership units at a price of \$4.79 to settle debt of \$62,068 for outstanding notes payable.
- b) On May 25, 2017, Strasburg issued 25,900 membership units at a price of \$4.33 to settle debt of \$112,068 for outstanding notes payable.
- c) On June 7, 2017, Strasburg issued 12,950 membership units at a price of \$4.79 to settle debt of \$62,068 for outstanding notes payable.
- d) On December 31, 2017, Strasburg issued 27,500 membership units at a price of \$0.79 to settle debt of \$28,869 for outstanding loans.
- e) On December 31, 2017, Strasburg issued 643,498 membership units at a price of \$0.79 to settle debt of \$509,144 for outstanding loans.

Issued capital of SMBT

During the year ended December 31, 2017 SMBT completed the following transactions:

- a) On April 27, 2017, pursuant to the operating agreement, SMBT issued 500 member units upon incorporation to each of the President and Vice President at a price of \$1.00 per unit for a total of 1,000 units. In consideration for the units, an operating loan due to a company controlled by the President and Vice President was reduced by \$1,000 (Note 11).

11. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties and related party transactions impacting the financial statements not disclosed elsewhere in these financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Group as a whole. Key management personnel comprise officers and directors of the Group.

Remuneration attributed to key management personnel for the years ended December 31, 2017 and 2016

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are summarized as follows:

		2017	2016
Management fees	\$	- \$	5,000
	\$	- \$	5,000

Other related party transactions and balances

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass from the most recent harvest valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied, and a note payable was issued for the \$268,000 balance. The \$268,000 note payable is unsecured and non-interest bearing and is to be paid in variable monthly increments commencing in January 2017, in arrears, in an amount equal to the positive remainder, if any, of net sales revenue for the preceding month, minus \$26,000, and capped at \$20,000. Ownership in Strasburg was transferred effective January 1, 2016, 50% to the President and 50% to the Vice President. Subsequent to Dec 31, 2017, the terms of this note were renegotiated via court settlement. The new terms of the note include an adjusted remaining balance of \$249,500 as of May 11, 2018 (Note 16) and monthly payments of \$12,500 per month until paid implying a maturity date of November 30, 2019. The note was discounted to approximate its fair value with a discount rate which reflects the Group's borrowing rate. The estimated fair value of this note as at December 31, 2017 was \$155,004 (2016 - \$100,218), net of a discount of \$112,996 (2016 - \$181,782).
- b) On April 27, 2017, pursuant to the operating agreement, SMBT issued 500 member units upon incorporation to each of the President and Vice President at a price of \$1.00 per unit for a total of 1,000 units. In consideration for the units, an operating loan due to a company controlled by the President and Vice President was reduced by \$1,000.
- c) On December 31, 2017, \$509,144 of an operating loan due equally in part to the President and the Vice President was converted into 643,498 units of the Group.
- d) As at December 31, 2017, a revolving promissory note to a company controlled by the President and the Vice President had a balance of \$487,065 (2016 - \$527,293). The note is unsecured, bears an interest rate of 5% per annum, payments of interest only are due monthly, advances are due on demand and the facility expires on December 31, 2024. As at December 31, 2017, interest had accrued on the note in the amount of \$52,572 (2016 - \$52,291). As at December 31, 2017, the note is in default as the payments are interest only and the note is due on demand.
- e) Selling, general and administrative expenses includes management fees of \$nil (2016 - \$5,000) that were paid or accrued to the Group's previous Manager.

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12. SUPPLEMENTAL CASH FLOW INFORMATION

Significant non-cash transactions during the years ended December 31, 2016 and 2015 affecting cash flows from investing and financing activities included:

December 31,		2017		2016
Notes payable converted into units (Note 9, 10)	\$	236,203	\$	-
Operating loan converted into units (Note 10, 11)	\$	539,013	\$	-
December 31,		2017		2016
Cash paid for interest	\$	6,229	\$	870
Cash paid for income taxes		-		-

13. COMMITMENTS

Lease Agreements:

On October 6, 2014, the Group entered into a lease agreement for 30 acres of its agricultural property. The lease term is for October 6, 2014 to October 5, 2019 for a monthly rental fee of \$2,500 per month from October 6, 2014 through to October 5, 2015, and \$2,083 per month from October 6, 2015 through to October 5, 2019.

On July 1, 2017, the Group entered into a lease agreement for 1,096 acres of its agricultural property. The lease term is for July 1, 2017 to October 1, 2018 for a monthly rental fee of \$2,500 per month.

On October 1, 2017, the Group entered into a lease agreement for its grain storage building. The lease term is for October 1, 2017 to October 1, 2018 for a monthly rental fee of \$3,000 per month.

The Group's contractual commitments under these leases are as follows:

	Amount
Not later than one year	\$ 79,996
Later than one year and not later than five years	20,830
Later than five years	-
	\$ 100,826

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14. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to support its business plan, as well as to ensure that the Group is able to meet its financial obligations as they become due. The capital structure consists of owners' equity comprising of notes payable, owners' capital, capital reserve, and retained earnings.

The basis for the Group's capital structure is dependent on the Group's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Group may issue new units through private placement, incur debt or return capital to members.

The Group does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Group's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable.

There was no change to the Group's approach to capital management during the year ended December 31, 2017.

15. RISK MANAGEMENT AND LIQUIDITY

The Group is not subject to externally imposed capital requirements. There were no changes in the Group's approach to capital management during the period.

The Group is exposed, through its operations, to the following financial risks:

- a) Market Risk
- b) Credit Risk
- c) Liquidity Risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General Objectives, Policies, and Processes:

The Managers have overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Managers review the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of the Managers is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

- a) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates, and equity price risk.

- (i) Foreign Currency Risk:

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The Group's functional and reporting currency is the United States dollar and major purchases are transacted in United States dollars. As a result, the Group's exposure to the foreign currency risk is minimal.

(ii) Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Group has an interest-bearing note with an investor (Note 9). It bears interest at 10% and matures on May 25, 2018. As at December 31, 2017, If the interest rates had fluctuated by 3%, with all other variable held constant, net loss would have been \$1,808 higher or lower. The interest earned on cash is insignificant, and the Group does not rely on interest to fund its operations. As a result, the Group is not at a significant risk to fluctuating interest rates.

(iii) Equity Price Risk:

The Group is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impacts on the Group's earnings due to movements in individual equities or the general movements in the level of the stock market. The Group's units are not yet publicly traded, and the Group does not hold equity investments in other entities. As a result, the Group is not at a significant risk to fluctuating equity prices.

b) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Group is subject to credit risk on its cash and accounts receivable. The Group limits its exposure to credit loss on cash by placing its cash with a high-quality financial institution. The Group has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated amongst a small number of customers. The Group performs credit evaluations of its customers but generally does not require collateral to support accounts receivable. The Group has certain amounts of aged receivables that are not deemed impaired as follows:

Aging of accounts receivable	2017	2016
1 - 60 days	\$ -	\$ -
61 - 90 days (past due)	-	-
Over 90 days (past due)	3,569	4,996
Total	\$ 3,569	\$ 4,996

The Group is exposed to increased credit risk due to major customers that comprise 10% or more of revenue. For the years ended December 31, 2017 and 2016 the following revenue was recorded from major customers:

Amount of revenue from major customers	2017	2016
Customer A	\$ 41,977	\$ 74,892
Customer B	\$ -	\$ 48,607
Customer C	\$ -	\$ 66,500
Customer D	\$ -	\$ 44,000

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c) Liquidity Risk

Liquidity risk arises from the Group's general and capital financing needs. The Group continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities, when feasible.

The table below summarizes the maturity profile of the Group's financial liabilities at December 31, 2017 and 2016:

As at December 31, 2017	On demand	Less than 1 year	1 -2 years	Later than 2 years	Total
Trade payables	\$ 753	\$ -	\$ -	\$ -	\$ 753
Accrued liabilities	12,532	-	-	-	12,532
Loans payable to related parties	488,064	-	-	-	488,064
Notes payable	-	100,000	155,004	-	255,004
Total liabilities	\$ 501,349	\$ 100,000	\$ 155,004	\$ -	\$ 756,353

As at December 31, 2016	On demand	Less than 1 year	1 -2 years	Later than 2 years	Total
Trade payables	\$ 6,865	\$ -	\$ -	\$ -	\$ 6,865
Accrued liabilities	25,111	-	-	-	25,111
Loans payable to related parties	527,293	-	-	-	527,293
Notes payable	-	-	-	300,218	300,218
Total liabilities	\$ 559,269	\$ -	\$ -	\$ 300,218	\$ 859,487

16. SUBSEQUENT EVENTS

- On March 2, 2018, the Group retained a contractor to build components of a steel processing building to be erected on site. The initial payment made at signing was \$34,000, and an additional \$158,474 was paid for completion and delivery.
- On May 1, 2018, Global NV Corp. (Global) acquired 1,000 units from the members of SMBT at a price of \$0.02 per unit representing 100% of the outstanding units of SMBT.
- On May 10, 2018, the Group acquired the 60 acre parcel of farmland currently being used by the Group for its farming operations. In consideration for the land, the Group has assumed a \$210,000 note payable from a company controlled by the President and the Vice President. The note is unsecured and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on May 19, 2019.
- On May 10, 2018, the Group acquired an 80 acre parcel of farmland currently being used by the Group for its farming operations. In consideration for the land, the Group has assumed a \$280,000 note payable from a company controlled by the President and the Vice President. The note is unsecured and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on March 1, 2019. An additional \$15,000 payment for this land is due to a company controlled by the President and the Vice President.

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- e) On May 11, 2018 a court settlement was reached under which the terms of a note payable due to a previous member were renegotiated (Note 10). Under the new terms, the Group shall pay a total of \$249,500 as full settlement of the amount owing under the original buyout agreement. Payment terms under the court settlement is an initial payment of \$24,500 to dismiss the case, and monthly payments of \$12,500 per month starting on June 30, 2018 until the balance is paid; no interest shall accrue on the note.
- f) On May 15, 2018, the Group renegotiated the terms of the \$100,000 promissory note due to mature on May 25, 2018 (Note 9). The renegotiated terms include an interest rate of 12% per annum from May 25, 2018, monthly payments of interest and principal starting August 1, 2018, and maturing on June 30, 2019. The maturity date may be extended year to year upon written agreement between the parties. The note is secured by the 60 acre parcel of land acquired by the Group on May 10, 2018.
- g) On May 31, 2018, Global issued 53,988,337 common shares, par value \$0.00 per unit, to the members of Strasburg. In exchange, Strasburg members transferred 722,800 units, par value \$0.00, to Global representing 100% of the outstanding units of Strasburg. After the close of this transaction, there was a total of 73,684,000 common shares of Global issued and outstanding, of which Strasburg members will hold 53,398,795 common shares, or 72.47% of the outstanding common shares.
- h) On June 1, 2018, Global issued a 10% stock dividend, issuing a total of 7,368,400 common shares.
- i) On June 1, 2018, Global effected a reverse stock split on an eight for one basis. As such, the Company's issued and outstanding shares of common stock were decreased on the basis of eight old shares for one new share.
- j) On July 31, 2018 and effective March 1, 2018, Global retained a consultant to market and distribute its products in North America and internationally. The Group has paid \$50,000 cash and issued 607,876 warrants to purchase shares of common stock of Global to the consultant in exchange for these services. Each warrant entitles the consultant to acquire one common share per warrant at a price of \$1.00 per share on or before the expiry date of August 31, 2023.
- k) On September 7, 2018, Global issued 101,315 warrants to purchase shares of common stock of Global to a consultant. Each warrant entitles the consultant to acquire one common share per warrant at a price of \$0.02 per share on or before the expiry date of August 31, 2023.
- l) On October 2, 2018, the Group sold \$3.6 million in convertible notes and 1,800,000 warrants to investors. For every \$2.00 of convertible notes purchased, investors received one share purchase warrant. Each warrant entitles the holder to purchase one common share of Global at an exercise price of \$2.00 per share for three years, expiring on October 2, 2021. The convertible notes are unsecured and bear an interest rate of 8% payable quarterly with the first payment due on December 31, 2018 and mature on October 2, 2019. Each note can be converted into common shares at the option of the investor at a conversion price of \$1.00 per share. The conversion price of the notes will be reduced to \$0.70 per share and the warrant exercise price of the warrants will be reduced to \$1.00 if the Company is not publicly listed by March 31, 2019, the Group does not produce at least \$5 million in crop value, whether in sales or inventory value, and \$2 million EBITDA. In connection with this transaction, the Company paid brokerage fees of \$360,000 and escrow fees of \$2,750.
- m) On October 24, 2018, Global entered into an agreement with a consultant to issue shares for services valued at \$60,000. On each of October 31, 2018 and January 30, 2019, 60,000 common shares of Global shall be issued for a total of 120,000 common shares.
- n) On December 7, 2018, Global NV Corp., Shareholders agreed to exchange, and CBD GLOBAL SCIENCES INC. ("CBD") agrees to acquire, all of the Global NV Shares registered in their respective names, in consideration of the issuance by CBD of an aggregate of 13,451,530 CBD Units consisting of 13,451,530 CBD Common Shares and 375,064 CBD Preferred Shares to the Global NV Shareholders.

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(Expressed in United States Dollars)

CBD Shareholders will hold 2,500,000 at the time of the share exchange and the total number of common shares outstanding will be 15,951,530.

APPENDIX E

MANAGEMENT DISCUSSION AND ANALYSIS OF GLOBAL NV

Global NV Corp.
Management Discussion and Analysis
For the year ended December 31, 2018 and 2017
(expressed in United States Dollars)

The following discussion and analysis of the Company's financial condition and results of operations for the year ended December 31, 2018 should be read in conjunction with the financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Global NV Corp. is classified as a "venture issuer" for the purposes of National Instrument 51-102.

Disclaimer

Certain statements in this annual report are forward-looking statements which reflect management's expectations regarding future growth, results of operations, performance, business prospects and opportunities such as intended work programs on existing properties, the Company's ability to meet financial commitments and its ability to raise funds when required. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, the global economic environment, and the Company's ability to manage its operating costs, may prove to be incorrect. A number of risks and uncertainties could cause actual results to differ materially from those expressed or implied by the forward-looking statements; these risks are outlined substantially in the Company's prospectus.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Nature of Business

Global NV Corp.'s (the "Company") head office and principal address is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228. The registered office in Nevada is located at 1085 Pleasure Lane, Henderson, Nevada, 89002 and 2754 Rockbridge Dr., Highlands Ranch, CO 80126 for Colorado. The records office is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228.

Global NV Corp. is an Industrial Hemp farming, processing and product manufacturing company focused on cannabidiol (“CBD”). The Company is directly involved in the Industrial Hemp, hemp oil, and CBD marketplace in the State of Colorado and other states which have regulated such activity.

The Company grows hemp plants under its wholly owned subsidiary, Strasburg Pharms, LLC which is registered with the Colorado Department of Agriculture. The plants are then dried into biomass and either sold as is or converted into CBD oil or distillates under its own brands.

The Company continues to sell raw biomass and is currently marketing and selling its own brand of CBD oil and byproducts under the Aethics and CanaOil brands (collectively “Products”). More information about the Aethics brand can be found at <https://aethics.com/>. The Company plans to expand its range of CBD oil and byproducts in fiscal 2019.

Hemp and CBD regulatory environment in the United States

All Industrial Hemp produced and sold by the Company constitutes Industrial Hemp under the 2018 and 2014 Farm Bills, as well as the laws of the states in which it produces and sells such Industrial Hemp and its Products.

The Products will be legal as a matter of federal law because they will constitute hemp as defined in the Agriculture Improvement Act of 2018 (“**2018 Farm Bill**”). As a result, the Products may be legally shipped and transported in interstate commerce as a matter of federal law. The Products will be legal as a matter of the laws of Colorado for the same reason and may be legally offered for retail sale in Colorado.

It is noted, however, that topical and ingestible products containing CBD fall within the regulatory jurisdiction of the U.S. Food and Drug Administration (“**FDA**”) under the federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 *et seq.*) (“**Food and Drug Act**”). Accordingly, because they will contain CBD, certain of the Products, including the Company’s nutraceuticals and food and body care Products, may be subject to enhanced scrutiny or enforcement action by FDA.

2014 and 2018 Farm Bills

On December 20, 2018, President Donald J. Trump signed into law the 2018 Farm Bill, which overwhelmingly passed Congress with bipartisan support. The legislation became effective immediately, and its significance to the hemp industry cannot be overstated. The mechanics of the 2018 Farm Bill can be summarized as follows:

- The era of hemp prohibition is over. The 2018 Farm Bill permanently removes “hemp” from scheduled control under the federal Controlled Substances Act (21 U.S.C. 801) (“**CSA**”). Moving forward, the 2018 Farm Bill forever deems hemp an agricultural commodity. As such, federal law enforcement and regulatory officials can no longer mistake hemp for its illicit cousin, marijuana, also a subspecies of the cannabis plant.
- Hemp is federally redefined as “the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.” Accordingly, the determination of whether a substance constitutes federally legal hemp is based on its THC concentration on a dry weight basis, and not on where the hemp in the substance is grown or cultivated. Further, this

redefinition explicitly removes popular hemp products, such as hemp-derived CBD, from scheduled control under the CSA.

Accordingly, the Drug Enforcement Administration (“**DEA**”) no longer has any possible claim to interfere with interstate commerce involving hemp products. This should give comfort to federally-regulated institutions -- pharmacies, banks, merchant services, credit card companies, e-commerce sites, and advertising platforms -- as well as private retailers, to conduct commerce involving hemp and the hemp product industry.

- The 2018 Farm Bill explicitly protects interstate commerce involving hemp and hemp derived products and prohibits states and Native American tribes from interfering with the interstate transportation or shipment of hemp or hemp-derived products. Any effort by state or tribal law enforcement or regulatory officials to enforce against hemp or hemp-derived products in interstate commerce would contravene federal law.
- States, including the District of Columbia and any territory or possession of the United States, as well as Native American tribes, may assume primary regulatory authority over the production of hemp in their jurisdictions through a regulatory or tribal plan approved by the U.S. Department of Agriculture (“**USDA**”). In the event a state or tribe does not establish (or have approved) such a regulatory plan, hemp production in that jurisdiction is subject to the regulatory plan established by USDA.
- The U.S. Food & Drug Administration (“**FDA**”) retains exclusive jurisdiction over the regulation of ingestible and topical hemp-derived products, as the 2018 Farm Bill does not amend or modify the Food and Drug Act, section 351 of the Public Health Service Act (42 U.S.C. 301 *et seq.*), or certain authorities of the Commissioner of Food and Drugs or Secretary of the U.S. Department of Health and Human Services.
- The 2018 Farm Bill does not, however, preempt state or local law. As such, through their regulatory plans, states or tribes may impose separate (and greater) restrictions or requirements on hemp production in their jurisdiction.

Prior to enactment of the 2018 Farm Bill, the Agricultural Act of 2014 (“**2014 Farm Bill**”) regulated the production of hemp at the federal level. Under this regime, states -- through their departments of agriculture -- were authorized to establish agricultural pilot programs for the production of hemp for research purposes, including marketing studies. The 2014 Farm Bill sanctioned, but did not require, states to establish agricultural pilot programs for the growth and cultivation of hemp for research purposes. At least forty-one (41) states, including Colorado, established agricultural pilot programs under the 2014 Farm Bill, some of them with broader permissions (and more sophisticated regulatory frameworks) than others.

Interstate Commerce

Federal appropriations riders passed subsequent to the 2014 Farm Bill prohibited federally appropriated agencies, including DEA, from enforcing against hemp and hemp-derived products in interstate commerce, a protection that, as discussed above, the 2018 Farm Bill preserves (and extends to states and Native American tribes).

The 2014 Farm Bill also did not preempt state or local law, leaving up to each state whether to sanction the production of hemp in its jurisdiction. For this reason -- under the jurisdiction of state or local law -- a handful of states have taken law enforcement or regulatory action against hemp derived products.

Currently, there are at least seventeen (17) identifiable states whose laws and/or regulations provide explicit protection for the retail sale of hemp-derived CBD. The remaining states neither explicitly permit nor explicitly prohibit the retail sale of hemp-derived CBD; in fact, many of these states do not mention CBD anywhere in their statutes or regulations. As discussed above, any continued action against the interstate transportation or shipment of hemp-derived products would contravene federal law.

FDA and Food Products

While the 2018 Farm Bill sidelines the DEA, the FDA retains its authority to regulate ingestible and topical products, including those that contain hemp and hemp extracts, such as CBD. Much public attention has focused on a non-binding Q&A posted on the FDA's website a few years ago,¹ which the FDA Commissioner Scott Gottlieb reiterated in a statement issued the day the 2018 Farm Bill became law.² The Q&A suggests that CBD products cannot be marketed as foods or dietary supplements. Commissioner Gottlieb's December 20, 2018 statement separately concludes that it is a violation of federal law to introduce CBD ingredients "into the food supply or market them as dietary supplements."³ These positions, however, are unsettled and unsupported by law or regulations. More importantly, the FDA's current position is *not* a final determination.

As background, the Food and Drug Act, as amended by the Dietary Supplement Health and Education Act of 1994 ("**DSHESA**"),⁴ defines a "dietary supplement" as a product intended to supplement the diet that contains one or more of the following: (a) a vitamin; (b) a mineral; (c) an herb or other botanical; (d) an amino acid; (e) a dietary substance for use by man to supplement the diet by increasing the total dietary intake; or (f) a concentrate, metabolite, constituent, extract, or combination of any ingredient described in clause (a) through (e).⁵ Thus, the law permits a wide range of dietary ingredients in dietary supplements, including CBD—a botanical extract (*Cannabis sativa* L.). CBD also falls under clause (e), as it is a dietary substance for use by man to supplement the diet by increasing the total dietary intake.

The FDA has taken the position -- via Warning Letters sent to hemp-derived CBD companies,⁶ as well as the Q&A -- that because substantial clinical trials studying CBD as a new drug were made public prior to the marketing of any food or dietary supplements containing CBD, dietary supplements or food are precluded from containing this ingredient ("**IND Preclusion**").⁷

However, we firmly disagree that the referenced clinical trials are in fact "substantial," as the trials were extremely limited in scope, and funding and the publication of these trials were limited as well. The FDA

¹ U.S. Food & Drug Administration, "FDA and Marijuana: Questions and Answers," FDA.GOV, <https://www.fda.gov/NewsEvents/PublicHealthFocus/ucm421168.htm> (hereinafter the "Q&A").

² U.S. Food & Drug Administration, "Statement from FDA Commissioner Scott Gottlieb, M.D., on signing of the Agriculture Improvement Act and the agency's regulation of products containing cannabis and cannabis-derived compounds," FDA.GOV, <https://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm628988.htm>.

³ *Id.*

⁴ Dietary Supplement Health and Education Act of 1994, Pub. L. No. 104-417.

⁵ 21 U.S.C. § 321(ff).

⁶ U.S. Food & Drug Administration, "Warning Letters and Test Results for Cannabidiol-Related Products," FDA.GOV, <https://www.fda.gov/NewsEvents/PublicHealthFocus/ucm484109.htm>.

⁷ 21 U.S.C. § 321(ff)(3)(B)(ii).

also seems to misinterpret the IND Preclusion in that it believes the preclusion date is simply the date in which the FDA authorized CBD as an investigational new drug (“**IND**”), without giving deference to the remaining portion of the statute, which requires that substantial clinical investigation be commenced and that such substantial clinical investigation be made public. In addition, the Q&A does not have the effect of law but instead merely reflects the FDA’s opinion, which the agency suggests may change as evidenced from the FDA’s own request for further input on the topic.

Rather, we believe that hemp-derived CBD products were marketed as dietary supplements and/or foods prior to any *substantial* drug investigations being undertaken, or made public, and that based on the definition of “dietary supplement” under DSHEA, CBD is in fact a permissible dietary ingredient. In any event, the FDA’s Warning Letters and Q&A are not final agency determinations. It is of significant import that, to date, the FDA has not taken any hemp-derived CBD products off the market, prohibited the sale of such products, or ordered a product recall. Further, the primary motivation for the Warning Letters issued in 2015, 2016, and 2017 concerned the improper use of disease-remediation claims by supplement/food companies. No Warning Letter has been issued to a company that merely sold legitimate hemp-derived CBD products without making inappropriate disease-remediation claims, and we are not aware of any Warning Letters being issued since enactment of the 2018 Farm Bill.

In addition, current scientific research confirms that hemp-derived CBD is safe in food, supplements, and beverages and has provided general health and wellness benefits to millions of Americans. Because hemp contains only a negligible amount of THC, hemp-derived CBD products are non-psychoactive and safe. Hemp-derived CBD does not have the potential for abuse or addiction, and there is no potential for diversion.

We are also not aware of any serious adverse events associated with the consumption of CBD. Food and supplements that contain hemp-derived CBD are already subject to a comprehensive regulatory framework that addresses both the safety and quality of these products. In fact, the current Good Manufacturing Practices (“**GMPs**”) for food and supplements (21 CFR Part 117 and Part 111, respectively) are equally, if not more, robust than the regulations governing the manufacture and production of cannabis products in most states.

Indeed, the World Health Organization (“**WHO**”) Expert Committee on Drug Dependence recommended in August 2018 that “preparations considered to be pure CBD should not be scheduled within the International Drug Control Conventions.” Some key findings from the WHO:

- “There are no case reports of abuse or dependence relating to the use of pure CBD.”
- “No public health problems have been associated with CBD use.”
- “CBD has been found to be generally well tolerated with a good safety profile.”
- “There is no evidence that CBD is liable to similar abuse and similar ill-effects as substances ... such as cannabis or THC.”⁸

Perhaps more significantly, a May 2018 memorandum from U.S. Health and Human Services Assistant Secretary Brett Giroir concludes that “CBD and its salts . . . could be removed from control under the CSA.”

After a thorough scientific review and analysis, the FDA opined:

⁸ World Health Organization, “Fortieth meeting of the Expert Committee on Drug Dependence,” WHO.INT, https://www.who.int/medicines/access/controlled-substances/ecdd_40_meeting/en/.

- “There is little indication that CBD has abuse potential or presents a significant risk to the public health.”
- “No evidence for a classic drug withdrawal syndrome for CBD, and no evidence that CBD causes physical or psychic dependence.”
- “CBD does not appear to have abuse potential under the CSA.”
- “There is no signal for the development of substance use disorder in individuals consuming CBD-containing products.”
- “It is unlikely that CBD would act as an immediate precursor to THC for abuse purposes.”⁹

The FDA appears to be relaxing its positions. On the same day it concluded that CBD ingredients cannot be legally introduced in the food supply or marketed as a dietary supplement, the FDA issued a statement opining that “[it] has no questions” about the conclusion that hulled hemp seed, hemp seed protein powder, and hemp seed oil are generally recognized as safe (“**GRAS**”) under their intended conditions of use.¹⁰ While the GRAS evaluation was made at the request of a specific company, Fresh Hemp Foods, “the GRAS conclusions can apply to ingredients from other companies, if they are manufactured in a way that is consistent with the notices and they meet the listed specifications. Some of the intended uses for these ingredients include adding them as source of protein, carbohydrates, oil, and other nutrients to beverages (juices, smoothies, protein drinks, plant-based alternatives to dairy products), soups, dips, spreads, sauces, dressings, plant-based alternatives to meat products, desserts, baked goods, cereals, snacks and nutrition bars.”

Of greater significance, Commissioner Gottlieb’s December 20, 2018 statement also indicated that the FDA was receptive to permanent and formal acceptance of hemp-derived CBD as a food additive or nutritional supplement. For the very first time, the FDA is seriously considering using its authority to issue a regulation that will specifically allow hemp-derived ingredients in foods and supplements:

[P]athways remain available for the FDA to consider whether there are circumstances in which certain cannabis-derived compounds might be permitted in a food or dietary supplement. Although such products are generally prohibited to be introduced in interstate commerce, the FDA has authority to issue a regulation allowing the use of a pharmaceutical ingredient in a food or dietary supplement. We are taking new steps to evaluate whether we should pursue such a process.

In fact, on February 26, 2019, Commissioner Gottlieb gathered with state agriculture leaders at the National Association of State Departments of Agriculture and, for the first time since his December 20, 2018, statement, outlined a path for the full recognition of CBD as a food additive or dietary supplement. It was clear from Commissioner Gottlieb’s comments that the FDA is feeling congressional pressure. As it continues down this path, the FDA is also engaging the hemp industry and the public:

Given the substantial public interest in this topic and the clear interest of Congress in fostering the development of appropriate hemp products, we intend to hold a public meeting in the near

⁹ Department of Health & Human Services, Letter from Dr. Brett P. Giroir, Assistant Secretary for Health, Department of Health & Human Services, to Robert W. Patterson, Acting Administrator, Drug Enforcement Administrator (May 16, 2018), https://hempindustrydaily.com/wp-content/uploads/2018/10/DHS-DEA-letter-2018-0014-0002.pdf?_ga=2.205388819.221633313.1538568567-731547511.1538568567.

¹⁰ U.S. Food & Drug Administration, “FDA responds to Three GRAS Notices for Hemp Seed-Derived Ingredients for Use in Human Food,” APP.INFO.FDA.GOV, <http://app.info.fda.gov/eles?s=2027422842&e=l74367&elqTrackId=78D8A052C380BCBFF284D754BEBE9730&elq=920ad70cfc794cdd98dl05ed04048730&elqaid=6391&elqat=1>.

future for stakeholders to share their experiences and challenges with these products, including information and views related to the safety of such products. We'll use this meeting to gather additional input relevant to the lawful pathways by which products containing cannabis or cannabis-derived compounds can be marketed, and how we can make these legal pathways more predictable and efficient. We'll also solicit input relevant to our regulatory strategy related to existing products, while we continue to evaluate and take action against products that are being unlawfully marketed and create risks for consumers. At the same time, we recognize the potential opportunities that cannabis or cannabis-derived compounds could offer and acknowledge the significant interest in these possibilities. We're committed to pursuing an efficient regulatory framework for allowing product developers that meet the requirements under our authorities to lawfully market these types of products.

The U.S. Hemp Roundtable ("**Roundtable**"), the industry's leading national business advocacy association, will be actively involved in the negotiation process, especially as the FDA welcomes a new Commissioner. Commissioner Gottlieb recently announced his plans to resign by April 2019.

With the partnership of other industry organizations, such as the American Herbal Products Association and the Hemp Industries Association, the pursuit of this approval path will be one of the Roundtable's top priorities for 2019.

II. STATELAW

While federal law permissions are clear, states' laws on hemp vary. Specifically, you have asked us to consider the legality of the Products under the state laws of Colorado, and you may have interest in other states' laws in the future.

In general, at least forty-one (41) states, including Colorado, have authorized the growth and cultivation of hemp for commercial or research purposes. Many of these states, like Colorado, established agricultural pilot programs pursuant to the 2014 Farm Bill, to which explicit federal law protections attached. Regardless of their existing laws (and whether they established agricultural pilot programs), however, states may not interfere with the interstate transportation or shipment of hemp or hemp-derived products. Any effort by state law enforcement or regulatory officials to enforce against hemp or hemp-derived products in interstate commerce would contravene the 2018 Farm Bill, which became effective December 20, 2018.

As part of its agricultural pilot program regime, Colorado has among the most favorable hemp laws in the United States. These laws deem hemp an agricultural commodity and permit broad activities involving hemp and hemp-derived products to the maximum extent permitted by federal law -- both within and outside the construct of Colorado's agricultural pilot program.¹¹ In addition to establishing a 2014 Farm Bill-compliant agricultural pilot program, Colorado legalized the distribution and sale of hemp and hemp-derived products so long as it is consistent with federal law.¹² Specifically, "a person engaged in processing, manufacturing, selling, transporting, possessing, or otherwise distributing industrial hemp cultivated by a person registered under this article 61, or selling industrial hemp products produced from it, is not subject to any civil or criminal actions under Colorado law for engaging in such."¹³

¹¹ Colorado Revised Statutes § 35-61-101 *et seq.*

¹² *Id.* § 35-61-108

¹³ *Id.* § 35-61-108(3)

Colorado defines hemp as having the same definition as under federal law, meaning all parts of the plant, including CBD, with 0.3% THC on a dry weight basis.¹⁴ The definition is not limited to hemp grown or cultivated as part of Colorado's agricultural pilot program (or any agricultural pilot program).

III. APPLICATION

A. FEDERAL LAW

It is our opinion that the Products, as proposed to us, will be legal as a matter of federal law because they will derive from hemp and contain CBD extracted from hemp but will not contain more than three tenths of one percent (0.3%) THC. In other words, they will clearly constitute hemp as defined in the 2018 Farm Bill, which permanently removes hemp from scheduled control under the CSA. As a result, the Products may be legally shipped and transported in interstate commerce.

Under the 2018 Farm Bill, the FDA retains exclusive jurisdiction over the regulation of ingestible and topical hemp-derived products, as the 2018 Farm Bill does not amend or modify the Food and Drug Act (among other federal laws). While it is our opinion that Products are legal as a matter of federal law, they may be subject to enforcement under the Food and Drug Act. For instance, we are aware of enforcement actions by the FDA against hemp-derived CBD products that are falsely mislabeled or that make inappropriate dietary, medical, or nutritional claims. Marketing a product containing CBD for use in the care, mitigation, treatment, or prevention of disease may qualify the product as a drug controlled by the Food and Drug Act. In addition, introducing a drug into interstate commerce without FDA approval would violate the Food and Drug Act. We are cognizant of the FDA's guidance on the use of hemp parts in human food products (and human dietary supplements).

We note, however, that the FDA's current stance on the introduction of hemp-derived CBD in food (whether for human or animal use) and marketing hemp-derived CBD as a dietary supplement is unsettled and unsupported by federal law.¹⁵ We also note that the FDA has expressed receptiveness to adopting a regulatory framework to permit the marketing of hemp-derived products. Nonetheless, the formal position of the FDA remains that CBD has not been approved for ingestible and topical use by humans and animals, and we acknowledge that the FDA may disagree with our interpretation of federal law.

B. STATELAW

Colorado

The Products will also be legal as a matter of Colorado law. The Products will derive from hemp lawfully grown and cultivated as part of IHRP and do not contain more than three tenths of one percent (0.3%) THC. Further, the Products will be protected as hemp products and hemp-derived CBD products under Colorado law. As such, they will be removed from scheduled control as marijuana and may be legally distributed and sold as a matter of Colorado law.

¹⁴ *Id.* § 35-61-101(7)

¹⁵ See U.S. Food & Drug Administration, *supra* note 3.

Other states

As discussed above, while federal law permissions are clear, states may regulate and enforce against hemp differently, including more restrictively than the 2018 Farm Bill. Currently, there are at least seventeen (17) identifiable states whose laws and/or regulations provide explicit protection for the retail sale of hemp-derived CBD. The remaining states neither explicitly permit nor explicitly prohibit the retail sale of hemp-derived CBD; in fact, many of these states do not mention CBD anywhere in their statutes or regulations.

The Company's objective is to capitalize on the opportunities presented as a result of the changing regulatory environment governing the industrial hemp, hemp oil and cannabis industry in the State of Colorado and, if permitted, other states in the U.S. Accordingly, there are a number of significant risks associated with the business of the Company. If the FDA takes a position regulating all CBD products intended for human or pet consumption there is a risk that federal authorities may enforce this position, and some or all of the products produced by the business of the Company may be deemed unfit for consumption.

For these reasons, the Company's operations in the U.S. cannabis market may subject the Company to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian authorities.

There can be no assurance that third party service providers, including, but not limited to, suppliers, contractors and banks will not suspend or withdraw services which could negatively impact the business of the Company.

More information about the risk factors associated with the hemp and CBD business in the United States can be found in the Company's prospectus filing dated December 24, 2018.

Overall performance

The Company recorded revenue of \$592,207 for the year ended December 31, 2018, as compared to revenue of \$338,271 for the year ended December 31, 2017. The net loss for the year increased from \$73,469 for the year ended December 31, 2017 to \$499,970 for the year ended December 31, 2018.

Overall the Company's financial condition improved year over year. Working capital improved by \$698,070 to \$626,417 from a deficit of \$71,653 for the year ended December 31, 2017. The condition improved greatly due to an increase in inventory of \$3,604,111 from the year over year growth in the hemp harvest and the increase quality and quantity of the 2018 harvest in comparison to the 2017 harvest. The number of plants increased, as well as the potency of the biomass that was harvested. The increase in inventory was offset by the addition of \$3,600,000 in convertible notes issued in fiscal 2018.

The net cash used in operating activities of \$2,911,267 for the year ended December 31, 2018 compared to net cash from operating activities of \$96,556 for the year ended December 31, 2017. The increase in cash used in operation activities is driven by an overall increase in general and administrative expenses as compared to fiscal 2017.

The growth and improvement of the Company's financial condition were as planned for the year ended December 31, 2018 as the Company continued to expand its farming operations and funding of the hemp crop.

Harvesting summary

- In March 2017, Strasburg Pharms' third crop was planted consisting of 84,000 plants.
- In October 2017, Strasburg Pharms' completed its third harvest of hemp for total biomass harvested of 21,934 lbs. A total of 1,134 lbs. of biomass was converted to oil for use in CBD oil products. The remaining biomass was sold for an average of \$21.1 per lb.
- In March 2018, Strasburg Pharms' fourth crop was planted consisting of 196,500 plants.
- In October 2018, Strasburg Pharms completed its fourth harvest of 55,970 lbs of Industrial Hemp and almost tripled the amount of CBD molecule harvested from the field based on genetic selection and farming technique.

Selected Annual Information

Year ended	2018	2017	2016
Revenue	\$592,207	\$338,271	\$264,389
Loss	\$(2,549,438)	\$(73,469)	\$(349,110)
Loss per share – fully diluted*	\$(0.28)	\$(0.30)	\$(0.00)
Total assets	6,000,983	\$ 899,555	\$301,941
Total non-current financial liabilities	-	\$ 155,004	\$ 300,218
Dividends	\$ -	\$ -	\$ -

For the year ended December 31, 2016, the Company captured sales of \$264,389. Management supported the Company by not taking management fees and helped fund the Company's losses and capital investments. Costs of production were \$370,200, but due to crop losses during harvest, the Company had to take a fair value charge of \$193,197. The net loss year over year improved to a loss of \$349,110 compared to the year ended December 31, 2015 because 2016 was the first year of sales.

For the year ended December 31, 2017, the Company had sales of \$338,271; \$250,000 in sales were derived from a \$250,000 sale of 12,000 hemp plants, with the remaining \$88,271 in sales derived from the sale of the remaining 2016 crop. The net loss decreased to \$73,469 due to a year over year increase of sales of \$73,882 and a decrease to total cost of sales of \$447,209 from December 31, 2016 to December 31, 2017. These costs of sales changes were due to the bump in fair value of biological assets attributable to a significant loss of crop in the prior year and large increase of biomass available for sale to 28,514 lbs versus 1,300 lbs in the prior year. This improvement was partially offset by G&A increases of \$131,863.

For the year ended December 31, 2018, the Company had sales of \$592,207, sales include sales of biomass of \$560,593, sales of CBD oil and CBD oil products of \$45,414. The price of biomass increased from \$18 per pound for the 2017 harvest to \$60 per pound for the 2018 harvest. The net loss increased from prior year due to financing related activities incurred in fiscal 2018, including accretion expense and interest expense.

Prices per pound of raw hemp varies depending on the CBD potency of the product and the market price of hemp. Pricing increased product through 2017 and into 2018. The changes in the price of raw hemp are reflected through the fair valuing of biological assets (hemp crop) and subsequent transfer to inventory once the hemp is harvested.

Discussion of operations

The Company's primary source of income is from the production and sale of hemp. The Company first plants seedlings each winter and harvests the following October.

For the year ended December 31, 2017, the Company had 84,000 plants available at the time of harvest. Initially, the Company had planned to convert all of the hemp into CBD oil through a contract with a supplier, but the Company entered into a settlement with the supplier, whereby the supplier was given access to a portion of the crop to harvest, which totaled approximately 12,000 plants and valued at \$250,000 in attributed sales. Approximately 36,000 plants were lost during the harvest resulting in a fair value charge of \$143,058. The remaining 2016 crop was sold in 2017 for \$ 88,271.

For the year ended December 31, 2018, the Company had 193,000 plants available at the time of harvest and 55,970 pounds of biomass was harvested in September 2018. A portion of the biomass was converted to CBD oil and CBD oil products sold through the Company's online shop. The remainder of the 2017 biomass and a small portion of the 2018 biomass was sold in fiscal 2018 generating the bulk of the Company's revenue.

General and administrative costs for the years ended December 31, 2018 and December 31, 2017 can be summarized as follows:

Year ended	2018	2017	Change \$	Change %
Bad debt expense	\$2,250	\$16,701	\$ (14,451)	-87%
Office expenses	92,587	19,604	73,253	374%
Professional fees	253,409	24,309	229,100	942%
Rent	132,144	52,700	79,444	151%
Salaries	814,654	20,000	794,654	3,973%
Small tools and equipment	149,895	132,516	17,379	13%
Travel	43,250	-	43,250	100%
Utilities and services	41,852	35,708	6,144	17%
Total G&A	\$1,530,311	\$301,538	\$1,228,773	689%

- Increases to office expenses were due to additional administrative costs
- Professional fees increased due to legal fees relating to the Company's merger with CBD Global Sciences and filing of the prospectus;

- Rent increase by \$79,444 from prior due to an additional lease for grain storage entered into at the end of fiscal 2017.
- Salaries increased by \$794,654 as the Company hired additional administrative staff and contractors during the year as operations increased.

The Company recorded accretion expense of \$480,580 for the year ended December 31, 2018 (December 31, 2017 - \$67,786). Accretion expense increased from previous years due to the issuance of convertible notes in the year. The Company also recorded interest expense of \$181,229 (December 31, 2017 - \$56,478) in interest expense related to its convertible debentures and outstanding loans.

Liquidity and Capital Resources

As at December 31, 2018 the Company had working capital of \$626,417 as compared to a deficiency of \$71,653 as at December 31, 2017, improving working capital by \$698,070. The Company improved its working capital position through the harvesting of the 2018 crop, which yielded a higher CBD potency than its 2017 crop, this increased the value of the Company's inventory compared to 2017. The increase in inventory was offset by the issuance of \$3,600,000 in convertible notes, increasing the Company's capital resources.

The Company continued to dramatically expand its annual hemp growth to 193,000 plants at the time of harvest compared to the prior year harvest of 84,000 plants available to the Company, which resulted in large improvement to the fair value of the hemp product year over by three million dollars. The Company intends to expand its investments in Greenhouses over the next twelve months by \$712,000.

The Company has been able to generate a significant cash balance through financing activities in the year. The Company intends to finance operations over the next 12 months through the sale of its harvested biomass and oil converted from the biomass, inventory total The Company has secured several agreements for sale of the Biomass. The value of the remainder of the sales are subject to changes in the market price of hemp biomass and the demand in the market.

During the year ended December 31, 2018, the Company completed the following transactions, further improving its working capital:

- On May 31, 2018, the Company issued 7,423,387 common shares to the members of Strasburg. In exchange, Strasburg members transferred 722,800 units to the Company representing 100% of the outstanding units of Strasburg.
- On May 31, 2018, the Company issued 175,529 common shares at a price of \$1.00 to settle debt of \$175,000 for outstanding notes payable (Note 10).
- On May 31, 2018, the Company issued 2,532,634 common shares at a price of \$1.00 to settle debt of \$600,000 for outstanding notes payable (Note 10). In connection with the debt settlement, the Company recorded a loss on settlement of debt of \$1,935,634.
- On October 24, 2018, the Company entered into an agreement with a consultant to issue shares for services. On each of October 31, 2018 and January 30, 2019, 60,000 common shares of Global shall be issued for a total of 120,000 common shares. On October 31, 2018, the Company issued 60,000 common shares at a fair value of \$0.24 per share and recorded a

share-based payment expense of \$14,309 related to these services.

The Company has several promissory notes outstanding as at December 31, 2018:

				December 31, 2018		December 31, 2017	
	Nominal interest rate	Date of maturity		Face value	Carrying amount	Face value	Carrying amount
Promissory note	-	11/30/2019	(a)	\$ 150,000*	\$ 111,015	\$ 268,000	\$ 155,004
Promissory note	12.0%	6/30/2019	(b)	99,478	98,198	100,000	100,000
Promissory note	12.5%	5/19/2019	(c)	210,000	210,000	-	-
Promissory note	12.5%	3/1/2019	(d)	280,000	280,000	-	-
Total				\$ 773,214	\$ 699,213	\$ 368,000	\$ 255,004
Current				(773,214)	(699,213)	(100,000)	(100,000)
Long-term				\$ -	\$ -	\$ 268,000	\$ 155,004

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg Pharms LLC ("Strasburg") was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied, and a note payable was issued for the balance of \$268,000. The \$268,000 note payable is unsecured and non-interest bearing and is to be paid in variable monthly increments commencing in January 2017, in arrears, in an amount equal to the positive remainder, if any, of net sales revenue for the preceding month, minus \$26,000, and capped at \$20,000. Ownership in Strasburg was transferred effective January 1, 2016, 50% to the President of Global NV and 50% to the Chief Operating Officer of Global NV. On May 11, 2018, the terms of this note were renegotiated via court settlement. The new terms of the note include an adjusted remaining balance of \$249,500 as of May 11, 2018 and monthly payments of \$12,500 per month until paid implying a maturity date of November 30, 2019; the Company recorded a gain on settlement of \$18,500. The note was discounted on issuance to \$100,218 to approximate its fair value with a discount rate which reflects the Company's borrowing rate. During the year ended December 31, 2018, \$86,511 (2017 - \$68,786) was recorded in accretion expense.

As at December 31, 2018 the current portion of the carrying value of this note was \$111,015 (2017 - \$nil), and the long-term portion of the carrying value was \$nil (2017 - \$155,004) for a total carrying value of \$111,015 (2017 - \$155,004).

- b) On May 25, 2017, an investor advanced \$100,000 to the Company in exchange for one-year promissory note and a 1.5% unit in the gross sales amount of the 2017 outdoor harvest due

when sold in 2018. The note was secured by land owned by a company controlled by the President of Global NV at the time, bore an interest rate of 10% per annum, required monthly interest payments, and a lump sum payment at the maturity date of May 25, 2018. On May 15, 2018, the terms of this note were renegotiated as follows: interest rate of 12% per annum from May 25, 2018, monthly payments of interest and principle starting August 1, 2018, maturing on June 30, 2019. The maturity date may be extended year to year upon written agreement between the parties. The note is secured by the 60-acre parcel of land acquired by the Company on May 10, 2018. As of December 31, 2018, the balance due on this note was \$98,198 (as at December 31, 2017 - \$100,000).

- c) On May 10, 2018, the Company acquired the 60-acre parcel of farmland currently being used by the Company for its farming operations. In consideration for the land, the Company has assumed a \$210,000 note payable from a company controlled by the President and the Chief Operating Officer of the Company. The note is secured by the 60-acre parcel of land and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on May 19, 2019. As at December 31, 2018, the balance due on this note was \$210,000 (2017 - \$nil).
- d) On May 10, 2018, the Company acquired an 80-acre parcel of farmland currently being used by the Company for its farming operations. In consideration for the land, the Company has assumed a \$280,000 note payable from a company controlled by the President of Global NV and the Chief Operating Officer of Global NV. The note is secured by the 80-acre parcel of land and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on March 1, 2019. An additional \$15,000 payment for this land is due to a company controlled by the President and the Chief Operating Officer of the Company. As at December 31, 2018, the balance due on this note was \$280,000 (2017 - \$nil).
- e) On July 31, 2018, an investor advanced \$121,200 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on September 30, 2018. On October 24, 2018, the principal and accrued interest of \$127,791 was repaid in full.
- f) On June 15, 2018, the Company assumed an additional \$40,000 note payable from a company controlled by the President and the Chief Operating Officer of the Company in consideration for the 80-acre land the Company acquired on May 10, 2018. The note is secured by the 80-acre parcel of land and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on March 1, 2019. On October 26, 2018, the Company repaid the principal balance of \$40,000. As at December 31, 2018, there was accrued interest payable of \$1,723 included in accounts payable and accrued liabilities.
- g) On July 31, 2018, an investor advanced \$121,200 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on September 30, 2018. On October 24, 2018, the principal and accrued interest of \$127,791 was repaid in full.
- h) On August 31, 2018, an investor advanced \$30,300 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues

monthly with interest and principal due at maturity on September 30, 2018. On October 24, 2018, the principal and accrued interest of \$31,948 was repaid in full.

- i) On September 11, 2018, an investor advanced \$30,300 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on October 11, 2018. On October 24, 2018, the principal and accrued interest of \$31,609 was repaid in full.
- j) On September 19, 2018, an investor advanced \$101,000 to the Company in exchange for a promissory note. The note is unsecured and bears interest at a rate of 36% per annum, interest accrues monthly with interest and principal due at maturity on October 19, 2018. On October 24, 2018, the principal and accrued interest of \$104,652 was repaid in full.

Cash flows

A summary of cash flows for the years ended December 31, 2018 and 2017 is as follows:

For the years ended	2018	2017	\$ Change
Operating activities	(2,911,267)	96,556	(2,814,711)
Investing activities	(624,636)	(198,949)	(823,585)
Financing activities	3,851,948	100,000	3,951,948
Change in cash	316,045	(2,393)	313,652

The net cash used in operating activities of \$2,911,267 was incurred for the year ended December 31, 2018 compared to inflows from operating activities of \$96,556 for the year ended December 31, 2017. Operating outflows increased by \$2,814,711 due to an increase in output of the production costs of \$338,441 which were added to inventory during the year ended December 31, 2017. The operational activities were financed through advances from the issuance of promissory notes and convertible notes. Conversely for the year ended December 31, 2017, activities were funded through the Company's line of credit with management of \$497,504.

Additional promissory notes were issued for \$530,000 for the purchase of land.

Going concern

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. From time to time, the Company generates working capital to fund its operations by raising additional capital through equity or debt financing. However, there is no assurance it will be able to continue to do so in the future. These combined financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying combined financial statements.

Related party disclosures

Related parties and related party transactions impacting the financial statements not disclosed elsewhere in these financial statements are summarized below and include transactions with the following individuals or entities.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Remuneration attributed to key management personnel for the years ended December 31, 2018 and 2017 are summarized as follows:

		2018		2017
Management fees	\$	132,693	\$	-
	\$	132,693	\$	-

Other related party transactions and balances

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied and a note payable was issued for the balance of \$268,000 (Note 10).

As at December 31, 2018 the current portion of the carrying value of this note was \$111,015 (2017 - \$nil), and the long-term portion of the carrying value was \$nil (2017 - \$155,004) for a total carrying value of \$111,015 (2017 - \$155,004).

- b) On April 27, 2017, pursuant to the operating agreement, SMBT issued 500 member units upon incorporation to each of the President and Vice President at a price of \$1.00 per unit for a total of 1,000 units. In consideration for the units, an operating loan due to Mac5 Mortgage, a company controlled by the President Brad Wyatt and Chief Operating Officer Glenn Dooley was reduced by \$1,000.
- c) On December 31, 2017, \$509,144 of an operating loan due equally in part to the President, Brad Wyatt and the Chief Operating Officer, Glenn Dooley, was converted into 643,498 units of the Company.
- d) As at December 31, 2018, a revolving promissory note due to Mac5 Mortgage, a company controlled by the President, Brad Wyatt and Chief Operating Officer, Glenn Dooley had a balance of \$397,063 (2017 - \$487,065) and was included in due to related parties. The note is unsecured, bears interest at 5% per annum, has payments of interest only due monthly with advances due on demand and expires on December 31, 2024. As at December 31, 2018, the note accrued interest of \$76,798 (2017 - \$52,572) included in accounts payable and other liabilities. As at December 31, 2018, the note is in default.

- e) On September 1, 2018, Mac5 Mortgage, a company controlled by the President, Brad Wyatt and Chief Operating Officer, Glenn Dooley advanced \$7,500 to the Company in exchange for a promissory note. The note is unsecured and bears interest at 6% per annum. Payments of interest only are due monthly on the first day of every calendar month starting January 1, 2018 with payment in full at maturity on December 31, 2019. Should the Company default on an interest payment, the interest rate shall increase to 12% per annum. As of December 31, 2018, the balance due on this note was \$7,612 (2017 - \$nil), the principal balance of \$7,500 has been included in due to related parties, and accrued interest of \$112 has been included in accounts payable and other liabilities.
- f) During the year ended December 31, 2018, the Company incurred \$17,608 in rental fees to W2D Holdings, company jointly controlled by the President, Brad Wyatt and Chief Operating Officer, Glenn Dooley.
- g) As at December 31, 2018, accounts payable and other liabilities included rental fees of \$16,528 (2017 - \$nil) due to Mac5 Mortgage, a company controlled by the President, Brad Wyatt and Chief Operating Officer, Glenn Dooley.
- h) As at December 31, 2018, accounts payable and other liabilities included salaries and wages of \$12,500 (2017 - \$nil) due to the President, Brad Wyatt.

Subsequent events

- a) On January 1, 2019, the Company entered into a loan modification agreement by which the maturity date of a revolving promissory note was modified to be payable, both interest and principal, on the maturity date of December 31, 2024.
- b) On January 30, 2019, the Company issued 60,000 common shares pursuant to an agreement with a consultant to issue shares for services.
- c) During March 2019, convertible debentures of \$175,000 were converted to 175,000 common shares of the Company at \$1.00 per share.
- d) On March 7, 2019, the Company entered into a loan modification agreement by which the maturity date of a note payable of \$100,000 was extended to December 31, 2020.
- e) On February 15, 2019, the Company entered into a debt settlement agreement to issue 100,000 common shares for the settlement of \$41,000 in an outstanding accounts payable balance.
- f) On March 15, 2019, the Company entered into an agreement by which the maturity date of a note payable of \$210,000 was extended to March 15, 2021. In connection with this agreement, the Company issued 1,715 common shares for consideration of the extension.
- g) On March 15, 2019, the Company entered into an agreement by which the maturity date of a note payable of \$280,000 was extended to March 15, 2021. In connection with this agreement, the

Company issued 2,285 common shares for consideration of the extension.

- h) During April 2019, the Company issued 101,315 common shares pursuant to warrant exercises for proceeds of \$2,026.
- i) On May 8, 2019, the Company entered into a debt settlement agreement to issue 26,112 common shares for the settlement of \$26,112 in an outstanding accounts payable balance.
- j) On May 13, 2019, an investor advanced \$262,500 to the Company in exchange for a promissory note. The note bears interest at a rate of 3% per annum, interest accrues monthly paid in weekly instalments, with remaining interest and principal due at maturity on May 31, 2020. The note is secured against the Company's biomass inventory and proceeds from the sale of biomass through a Biomass Processing Agreement. In connection with this agreement, the Company issued 20,000 warrants. The warrants are exercisable for one common share at an exercise price of \$1.25 on or before May 31, 2020.
- k) On May 14, 2019, the Company issued 40,000 warrants to a consultant for services provided to the Company. The warrants are exercisable for one common share at an exercise price of \$1.75 (CAD \$2.50) on or before May 31, 2020.
- l) On May 15, 2019, the Company issued 20,000 common shares for gross proceeds of \$25,000.

Outstanding Share Data

As of December 31, 2018, the Company had 10,191,550 common shares issued and outstanding, and 3,319,191 share purchase warrants outstanding. As at the date of this report, the Company had 10,677,977 common shares issued and outstanding and 3,277,877 share purchase warrants outstanding.

Proposed Transactions

On December 10, 2018, Global NV Corp., Shareholders agreed to exchange, and CBD GLOBAL SCIENCES INC. ("CBD") agrees to acquire, all of the Global NV Shares registered in their respective names, in consideration of the issuance by CBD of an aggregate of 10,777,977 CBD Units consisting of 10,777,977 CBD Common Shares and 375,064 CBD Preferred Shares to the Global NV Shareholders. CBD Shareholders will hold 2,500,000 at the time of the share exchange and the total number of common shares outstanding will be 13,277,977. The shareholders of Global NV and CBD approved the Merger Agreement on January 24, 2019.

Risk Management

The Company is exposed, through its operations, to the following financial risks:

- a) Market risk
- b) Credit risk
- c) Liquidity risk

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to

measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies, and processes:

Management have overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Managers review the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of the Managers is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates and equity price risk.

(i) Foreign currency risk:

The Company's functional and reporting currency is the United States dollar and major purchases are transacted in United States dollars. As a result, the Company's exposure to the foreign currency risk is minimal.

(ii) Interest rate risk:

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The interest earned on cash is insignificant and the Company does not rely on interest income to fund its operations.

(iii) Equity price risk:

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impacts on the Company's earnings due to movements in individual equities or the general movements in the level of the stock market. The Company's shares are not yet publicly traded, and the Company does not hold equity investments in other entities. As a result, the Company is not at a significant risk to fluctuating equity prices.

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company is subject to credit risk on its cash and accounts receivable. The Company limits its exposure to credit loss on cash by placing its cash with a high-quality financial institution. The Company has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated amongst a small number of customers. The Company performs credit evaluations of its customers but generally does not require collateral to support accounts receivable. The Company has certain amounts of aged receivables that are not deemed impaired as follows:

Aging of accounts receivable	2018	2017
1 - 60 days	\$ 75,000	\$ -
61 - 90 days (past due)	-	-
Over 90 days (past due)	-	3,569
Total	\$ 75,000	\$ 3,569

The Company is exposed to increased credit risk due to major customers that comprise 10% or more of revenue. For the years ended December 31, 2018 and 2017 the following revenue was recorded from major customers:

Amount of revenue from major customers	2018	2017
Customer A	\$ -	\$ 41,977
Customer B	225,000	-
Customer C	190,000	-
Customer D	\$ 75,000	\$ -

c) Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities, when feasible.

The table below summarizes the maturity profile of the Company's financial liabilities at December 31, 2018 and 2017:

As at December 31, 2018	On demand	Less than 1 year	1 - 2 years	Later than 2 years	Total
Trade payables	\$ 146,420	\$ -	\$ -	\$ -	\$ 146,420
Other liabilities	87,337	-	-	-	87,337
Loans payable to	483,587	-	-	-	483,587
Notes payable	-	699,213	-	-	699,213
Convertible debt	-	2,436,109	-	-	2,436,109
Total liabilities	\$ 716,343	\$ 3,135,322	\$ -	\$ -	\$ 3,852,666

As at December 31, 2017	On demand	Less than 1 year	1 - 2 years	Later than 2 years	Total

Trade payables	\$	753	\$	-	\$	-	\$	-	\$	753
Other liabilities		12,532		-		-		-		12,532
Loans payable to		488,064		-		-		-		488,064
Notes payable		-		100,000		155,004		-		255,004
Total liabilities	\$	501,349	\$	100,000	\$	155,004	\$	-	\$	756,353

Accounting standards issued but not yet effective

The standards and interpretations that are issued up to the date of issuance of the Company's financial statements and applicable to the Company, but were not effective during the year ended December 31, 2018, are disclosed below. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

The following standards are effective for annual periods beginning on or after January 1, 2019:

IFRS 16 Leases - IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. Instead, all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments.

Management is currently evaluating any impact that the above standards may have on the Company's consolidated financial statements and this assessment has not yet been finished.

The Company files annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at <http://www.sedar.com> and the Company's website <https://aethics.com/>.

Global NV Group
Management Discussion and Analysis
For the year ended December 31, 2017 and 2016
(expressed in United States Dollars)

The following discussion and analysis of the Group's financial condition and results of operations for the year ended December 31, 2017 should be read in conjunction with the financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Global NV Group is classified as a "venture issuer" for the purposes of National Instrument 51-102.

Disclaimer

Certain statements in this annual report are forward-looking statements which reflect management's expectations regarding future growth, results of operations, performance, business prospects and opportunities such as intended work programs on existing properties, the Group's ability to meet financial commitments and its ability to raise funds when required. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Group will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about current mineral property interests, the global economic environment, the market price and demand for commodities and the Group's ability to manage its property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause actual results to differ materially from those expressed or implied by the forward-looking statements; these risks are outlined substantially in the Group's prospectus.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. The Group disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Nature of Business

Global NV Group (the "Group"), refers to the entities Strasburg Pharms, LLC ("Strasburg"), organized on September 23, 2014, and SMBT, LLC ("SMBT"), organized on April 27, 2017. Both entities are limited liability companies organized under the provisions of the Colorado Revised Statutes (Colorado).

The Group's head office and principal address is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228. The registered offices of both Strasburg and SMBT are located at 2754 Rockbridge Dr.,

Highlands Ranch, CO 80126. The records office is located at 225 Union Boulevard, Suite 350, Lakewood, Colorado, 80228.

The Group is directly involved in the Industrial Hemp, hemp oil, and Cannabidiol (“CBD”) marketplace in the State of Colorado and other states which have regulated such activity.

The Group grows hemp plants under its farm brand Strasberg farms and its registration with the Colorado Department of Agriculture. The plants are then dried into biomass and either sold as is or converted into CBD oil or distillates under its own brands.

The Group plans to continue to sell raw biomass and is moving forward aggressively with its plans to market and sell its own brand of CBD oil and byproducts in fiscal 2018 under the Aethics and CanaOil brands. More information about the Aethics brand can be found at <https://aethics.com/>.

Hemp and CBD regulatory environment in the United States

All Industrial Hemp produced and sold by the Group constitutes Industrial Hemp under the 2014 Farm Bill, as well as the laws of the states in which it produces and sells such Industrial Hemp.

Federal legislation has scheduled all cannabis grown in the United States as a controlled substance under the U.S. Controlled Substances Act of 1970 (“Controlled Substances Act”), and as a result, the cultivation or sale of hemp for any purpose in the United States without a Schedule I registration with the U.S. Drug Enforcement Agency (“DEA”) is, unless exempted by the 2014 Farm Bill, illegal.

The Group’s position is that its activities fall within the relief from federal interference (*e.g.* by the DEA) provided by Section 7606 of the 2014 Farm Bill. However, the statute does not explicitly state that private businesses, such as the Group, may cultivate or conduct commercial sales of Industrial Hemp or products derived therefrom. Rather, Section 7606 specifically allows for the “growing or cultivation of Industrial Hemp” for the “purposes of research” pursuant to state “pilot programs” conducted by “institutions of higher education and State departments of agriculture”. The Group takes the position that its activities nevertheless fall within the ambit of Section 7606(a)(1) based on the following facts, interpretations and assumptions:

- (i) the fact that permissible research activities under Section 7606(a)(1) includes cultivation for the purpose of research conducted under an agricultural pilot program;
- (ii) the fact that Section 7606(b)(1) provides that agricultural pilot programs include pilot programs to study the marketing of Industrial Hemp;
- (iii) the interpretation and assumption that the Licenses (as defined below) provided to the Group by the Colorado Department of Agriculture (“CDA”) to cultivate significant quantities of Industrial Hemp are licenses granted in furtherance of “studying the marketing” of Industrial Hemp. In its interpretation, the Group is further assuming that, because hemp was criminalized for nearly a century, significant long-term commercial activities will be required to provide an understanding of the Industrial Hemp industry for the purpose of meeting the goals of the 2014 Farm Bill, and that because state departments of agriculture are not in the business of selling products, they must contract with and/or license private entities to sell products as part of these marketing studies. This is further based on significant discussions between Group and the CDA pursuant to which the Group understands that the Licenses were granted under Colorado’s pilot program;

(iv) the interpretation that the Group's activities (based on the foregoing facts and assumptions) fall within the ambit of Colorado's agricultural pilot program, notwithstanding that, the Group is not an "institution of higher education or State department";

(v) the fact that all of the Group's cultivation operations conducted through third parties in Oregon and Montana (which represent all the Group's cultivation operations outside of Colorado) are also licensed by the respective Departments of Agriculture, or similar regulatory bodies, of these states and the assumption that these third parties operate in compliance with such states' pilot programs. This assumption is further evidenced by the fact that these third-party operators provide contractual representations to the Group that they are in fact in compliance with state laws relating to cultivation under their respective state pilot programs and that the Group has been provided copies of the applicable Licenses; and

(vi) the interpretation and assumption that interstate commerce falls fully within U.S. federal jurisdiction and, as a result, marketing and sales of the Group's products to other U.S. states are permitted by the 2014 Farm Bill notwithstanding that such other states may not have implemented a pilot program or that the Group does not directly participate in such states' existing agricultural pilot programs.

However, there are differing interpretations with respect to whether states must explicitly permit the sale of Industrial Hemp and Industrial Hemp products in order to comply with the 2014 Farm Bill or the DEA's Statement of Principles. Based on the assumptions set out above, the Group takes the position that such activities comply whether or not the state has an agricultural pilot project in place.

Certain other stakeholders such as the DEA may take a narrower interpretation, namely that in the absence of explicit state approval or recognition and/or of an agricultural pilot program, such activities are prohibited. Similarly, some DEA spokespersons have taken the position that the interstate commercial sale of consumable CBD products is outside the scope of the 2014 Farm Bill.

Certain government agencies (such as the DEA and the U.S. Food and Drug Administration ("FDA")) and certain federal officials have challenged the scope of permissible commercial activity, including activities similar to the Group's operations. Some DEA representatives, for example, have stated they believe that producers of CBD-based products, including a similar business Charlotte's Web, produce and sell their products in violation of the U.S. Controlled Substances Act and the Federal Food, Drug, and Cosmetic Act ("FDCA") because the hemp-based products sold by the Group are derived from the Cannabis plant.

Similarly, the FDA has indicated that Charlotte's Web's marketing activities fall within FDA jurisdiction and, on occasion, that Charlotte's Web has failed to comply with the FDCA.

The FDA has not generally approved CBD or other individual cannabinoids as drugs, nor has the FDA deemed CBD or other individual cannabinoids permissible for use in dietary supplements, as dietary ingredients or as safe for use in food. The FDA has taken the position that CBD cannot be marketed in a dietary supplement because it has been the subject of investigation as a new drug pursuant to the IND Preclusion. The Group believes there are significant arguments against this position in that all conditions of the applicable statute must be met before the IND Preclusion applies. In addition, the FDA is currently challenging whether the CBD products can be sold in the U.S. without FDA approvals which

have not yet been obtained. This matter is still in active discussion with the FDA and is unresolved as at the date of this Prospectus. The FDCA does not recognize CBD as safe for use in food products.

While the Group disagrees with the positions of each of the DEA and the FDA, there is risk that either or both of these agencies could take law enforcement actions against the Group. There is also a risk that state or local authorities could take enforcement actions against the Group.

Legal barriers applicable to selling hemp and hemp-derived CBD products result from a number of factors, including the fact that hemp and marijuana are both derived from the Cannabis plant, the rapidly changing patchwork of state laws governing hemp and hemp-derived CBD, the position of some DEA representatives that CBD is a controlled substance and the lack of FDA approval for CBD as a lawful food ingredient, food additive or dietary supplement.

The Group's objective is to capitalize on the opportunities presented as a result of the changing regulatory environment governing the industrial hemp, hemp oil and cannabis industry in the State of Colorado and, if permitted, other states in the U.S. Accordingly, there are a number of significant risks associated with the business of the Group. Unless and until the U.S. Congress amends the Controlled Substances Act with respect to medical and/or adult-use cannabis and cannabis derived products, including CBD, (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, and the business of the Group may be deemed to be producing, cultivating, extracting or dispensing cannabis or hemp products in violation of federal law in the U.S.

For these reasons, the Group's operations in the U.S. cannabis market may subject the Group to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian authorities.

There can be no assurance that third party service providers, including, but not limited to, suppliers, contractors and banks will not suspend or withdraw services which could negatively impact the business of the Group.

More information about the risk factors associated with the hemp and CBD business in the United States can be found in the Group's prospectus filing dated December 20, 2018.

Overall performance

The Group recorded revenue of \$338,271 for the year ended December 31, 2017 as compared to revenue of \$264,389 for the year ended December 31, 2016. The net loss for the year decreased from \$349,110 for the year ended December 31, 2016 to \$73,469 for the year ended December 31, 2017.

Overall the Group's financial condition improved year over year. Working capital improved by \$502,618 to \$45,875 from a deficiency of \$456,743 for the year ended December 31, 2016. The condition improved greatly due to an increase in inventory of \$436,458 from the year over year growth in the hemp harvest.

The net cash from operating activities of \$96,556 for the year ended December 31, 2017 was funded through the operating line advances from the ownership group of \$497,504. Advances were interest bearing at 5% per annum. Additional notes payable of \$100,000 were used to make a deposit on a land purchase. Comparatively, for the year ended December 31, 2016, inflows from operating activities were \$87,774 and funded by the ownership group with advances of \$257,935.

On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$32,000, 400lbs of hemp biomass from the most recent harvest valued at \$14,000 and a note payable with a fair value of \$100,218. Ownership was transferred effective January 1, 2016, 50% to the President and 50% to the Vice President.

During the year ended December 31, 2017, \$775,216 in debt was converted into units of Strasburg. Of which, the President and Vice President converted \$538,013 into 670,998 units of the Group.

The growth and improvement of the Group's financial condition were as planned for the year ended December 31, 2017 as the Group continued to expand its farming operations and funding of the hemp crop.

Selected Annual Information

Year ended	2017	2016	2015 (unaudited)
Revenue	\$338,271	\$264,389	350
Loss	\$(73,469)	\$(349,110)	\$(41,429)
Loss per share – fully diluted*	\$(0.30)	\$(0.00)	\$(0.00)
Total assets	\$ 899,555	\$301,941	\$ 380,756
Total non-current financial liabilities	\$ 155,004	\$ 300,218	\$ 422,107
Dividends	\$ -	\$ -	\$ -

* On May 31, 2018, Global NV Corp. issued 53,988,337 common shares, to the members of Strasburg. In exchange, Strasburg members transferred 722,800 units, to Global representing 100% of the outstanding units of Strasburg to Global NV Corp. After the close of this transaction, there was a total of 73,684,000 common shares of Global issued and outstanding, of which Strasburg members will hold 53,398,795 common shares, or 72.47% of the outstanding common shares.

On June 1, 2018, Global issued a 10% stock dividend, issuing a total of 7,368,400 common shares,

Finally, on June 1, 2018, Global effected a reverse stock split on an eight for one basis. As such, the Company's issued and outstanding shares of common stock were decreased on the basis of eight old shares for one new share.

After giving rise to these transactions, as at December 31, 2017, the Group had 7,342,334 shares outstanding.

Operations commenced in 2015. The Group planted its first crop of hemp and incurred costs of production of \$86,501. Overall general & administration ("G&A") costs were only \$132,024. G&A costs were controlled with the support of the owners, who did not take any management fees.

For the year ended December 31, 2016, the Group captured sales of \$264,389. The owners again supported the Group by not taking management fees and helped fund the Group's losses and capital investments. Costs of production were \$263,997, but due to crop losses during harvest, the Group had to take a fair value charge of \$193,197. The net loss year over year improved to a loss of \$349,110 compared to the year ended December 31, 2015 because 2016 was the first year of sales.

For the year ended December 31, 2017, the Group had sales of \$338,271; \$250,000 in sales were derived from a \$250,000 sale of 12,000 hemp plants, with the remaining \$88,271 in sales derived from the sale of the remaining 2016 crop. The net loss decreased to \$73,469 due to a year over year increase of sales of \$73,882 and a total change of in cost of sales of \$447,209 to a recovery of \$66,258 from

December 31, 2016 to December 31, 2017. These costs of sales changes were due to the bump in fair value of biological assets attributable to a significant loss of crop in the prior year and large increase of biomass available for sale to 28,514 lbs versus 1,300 lbs in the prior year. This improvement was partially offset by G&A increases of \$131,863.

Prices per pound of raw hemp varies depending on the CBD potency of the product and the market price of hemp. Pricing trends are showing an increase in price for product through 2017 and into 2018. The Group recently secured a contract and delivered hemp at a price of \$62.48 per lb of hemp whereby the CBD concentration is greater than or equal to 12.5%. These changes in the price of raw hemp are reflected through the fair valuing of biological assets (hemp crop) and subsequent transfer to inventory once the hemp is harvested.

Discussion of operations

The Group's primary source of income is from the production and sale of hemp. The group first plants seedlings each winter and harvests the following October. The Group commenced operations and had its first planting in 2015.

In 2016, the first planting from 2015 generated sales of \$264,389. The Group purchased an additional \$34,175 in third party hemp biomass to achieve these sales. In 2016, the Group harvested 1,300 plants. Fair valuing of the biological assets resulting in a charge of \$193,197 for the year ended December 31, 2016 and a gross loss of \$116,562 as a result.

For the year ended December 31, 2017, the Group had 84,000 plants available at the time of harvest. Initially, the Group had planned to convert all of the hemp into CBD oil through a contract with a supplier, but the Group entered into a settlement with the supplier, whereby the supplier was given access to a portion of the crop to harvest, which totaled approximately 12,000 plants and valued at \$250,000 in attributed sales. Approximately 36,000 plants were lost during the harvest resulting in a fair value charge of \$143,058. The remaining 2016 crop was sold in 2017 for \$ 88,271.

General and administrative costs for the years ended December 31, 2017 and December 31, 2016 can be summarized as follows:

Year ended	2017	2016	Change \$	Change %
Bad debt expense	\$16,701	\$42,607	\$ (25,906)	-61%
Office expenses	19,604	6,893	12,711	184%
Management fees	-	5,000	(5,000)	-100%
Marketing	8,690	5,426	3,264	100%
Professional fees	24,309	5,604	18,705	334%
Rent	52,700	24,996	27,704	111%
Salaries	20,000	44,626	(10,626)	-35%
Small tools and equipment	132,516	17,328	115,188	665%
Utilities and services	35,708	25,885	9,823	38%
Total G&A	\$310,228	\$178,365	\$145,863	89%

- Increases to bad debt expense were reduced in 2017 due to management moving to a cash on demand policy with customers.
- Increases to office expenses were due to in additional product liability insurance purchased.
- Management fees were nil for the year ended December 31, 2017 as compared to the year ended December 31, 2016 due to the departure of a manager. The primary owners manage the current business and did not take any fees or salaries in 2017 and 2016.
- Professional fees increased due to legal fees relating to access to ground water for various properties.
- Rent and utilities increased \$27,704 and \$9,823 year over year due to the Group entering into two new lease agreements in 2017. On July 1, 2017, the Group entered into a lease agreement for 1,096 acres of its agricultural property; the lease term is for July 1, 2017 to October 1, 2018 for a monthly rental fee of \$2,500 per month. On October 1, 2017, the Group entered into a lease agreement for its grain storage building; the lease term is for October 1, 2017 to October 1, 2018 for a monthly rental fee of \$3,000 per month.
- Salaries decreased because sales and administrative staff decreased over the period as the President took over the sales role.
- Small tools increased by \$115,188 due to significant development of farm properties and supplies and small equipment items for the new greenhouses.

The Group recorded accretion expense of \$68,786 for the year ended December 31, 2017 (nil for the year ended December 31, 2016). Accretion expense was incurred due to the fair valuing of an interest free note payable entered into by the Group and the related discount of \$100,218 that was recorded, of which is amortized on a straight-line basis over the term of the loan.

Liquidity and Capital Resources

As at December 31, 2017 the Group had working capital of \$45,875 versus working capital deficiency of \$456,743 as at December 31, 2016. Working capital improved by \$502,618. The Group improved its working capital position through the harvesting of its last crop, which resulted in \$338,271 in sales on costs of production of \$76,800. The founders of the Group through their personal resources continued to fund operations with advances of \$518,592. These inflows were offset by cash used to purchase land and equipment to expand the crop operations for total investments of \$178,191.

During the year ended December 31, 2017, \$775,216 in debt was converted into units of Strasburg. Of which, the President and Vice President converted \$538,013 into 670,998 units of the Group.

A detailed summary of the notes payable issued during the periods and subsequent conversions into units of Strasburg are outlined as follows:

- On April 28, 2015, two investors advanced \$100,000 to the Group in exchange for a promissory note. The note is unsecured, bears interest at a rate of 12% per annum, with payments of principle and interest due annually starting December 31, 2016 and matures on December 31, 2019. The note contains a profit-sharing provision of 0.004% of the previous 12 months profit at each payment due date. During the years ended December 31, 2016 and 2017, the Group had not earned profits; therefore, no profit-sharing amounts were payable. On May 25, 2017, the remaining principle plus accrued interest of \$112,068 was converted into 25,900 units of the

Group at a price of \$4.33 per unit. As at December 31, 2017, the balance due on this note including accrued interest was \$nil (2016 - \$110,416).

- b) On May 7, 2015, an investor advanced \$50,000 to the Group in exchange for a promissory note. The note is unsecured, bears interest at a rate of 12% per annum, with payments of principle and interest due annually starting December 31, 2016 and matures on December 31, 2019. The note contains a profit-sharing provision of 0.002% of the previous 12 months profit at each payment due date. During the years ended December 31, 2016 and 2017, the Group had not earned profits; therefore, no profit-sharing amounts were payable. On May 17, 2017, the remaining principle plus accrued interest of \$62,068 was converted into 12,950 units of the Group at a price of \$4.79 per unit.
- c) On July 10, 2015, an investor advanced \$50,000 to the Group in exchange for a promissory note. The note is unsecured, bears interest at a rate of 12% per annum, with payments of principle and interest due annually starting December 31, 2016 and matures on December 31, 2019. The note contains a profit-sharing provision of 0.002% of the previous 12 months profit at each payment due date. During the years ended December 31, 2016 and 2017, the Group had not earned profits; therefore, no profit-sharing amounts were payable. On June 7, 2017, the remaining principle plus accrued interest of \$62,068 was converted into 12,950 units of the Group at a price of \$4.79 per unit.

Outstanding are two notes payable issued during the year ended December 31, 2016 and December 31, 2017:

- a) On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass from the most recent harvest valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied, and a note payable was issued for the \$268,000 balance. The \$268,000 note payable is unsecured and non-interest bearing and is to be paid in variable monthly increments commencing in January 2017, in arrears, in an amount equal to the positive remainder, if any, of net sales revenue for the preceding month, minus \$26,000, and capped at \$20,000. Ownership in Strasburg was transferred effective January 1, 2016, 50% to the President and 50% to the Vice President. Subsequent to December 31, 2017, the terms of this note were renegotiated via court settlement. The new terms of the note include an adjusted remaining balance of \$249,500 as of May 11, 2018 (Note 16) and monthly payments of \$12,500 per month until paid implying a maturity date of November 30, 2019. The note was discounted on issuance to \$100,218 to approximate its fair value with a discount rate which reflects the Group's borrowing rate. The carrying amount of this note as at December 31, 2017 was \$155,004 (2016 - \$100,218).
- b) On May 25, 2017, an investor advanced \$100,000 to the Group in exchange for one-year promissory note and a 1.5% unit in the gross sales amount of the 2017 outdoor harvest due when sold in 2018. The note is secured by land owned by a Group controlled by the President, bears an interest rate of 10% per annum, requires monthly interest payments, and a lump sum payment at the maturity date of May 25, 2018. As at December 31, 2017, the balance due on this note including accrued interest was \$100,000 (2016 - \$nil).

As at December 31, 2017, a revolving promissory note to a company controlled by the President and the Vice President had a balance of \$487,065 (2016 - \$496,047). The note is unsecured, bears an interest

rate of 5% per annum, payments of interest only are due monthly, advances are due on demand and the facility expires on December 31, 2024. As at December 31, 2017, interest had accrued on the note in the amount of \$52,572 (2016 - \$21,044). As at December 31, 2017, the note is in default as the payments are interest only and the note is due on demand.

Cash flows

A summary of cash flows for the years ended December 31, 2017 and 2016 is as follows:

For the years ended	2017	2016	\$ Change
Operating activities	96,556	87,774	8,782
Investing activities	(198,949)	(59,843)	(139,106)
Financing activities	100,000	(32,000)	132,000
Change in cash	(2,393)	(4,069)	1,676

The net cash provided by operating activities of \$96,556 was incurred for the year ended December 31, 2017 compared to inflows from operating activities of \$87,774 for the year ended December 31, 2016. Operating outflows increased by \$8,782 due to an increase in output of the production costs of \$225,157, which were added to inventory during the year ended December 31, 2017. The operational activities were financed through advances from the ownership group's line of credit with the Group of \$497,504. Comparatively, for the year ended December 31, 2016, and line of credit advances funded by the ownership group were \$257,935.

Advances were interest bearing at 5% per annum. Additional notes payable of \$100,000 were used to make a deposit on a land purchase.

Going concern

The Group's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. From time to time, the Group generates working capital to fund its operations by raising additional capital through equity or debt financing. However, there is no assurance it will be able to continue to do so in the future. These combined financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying combined financial statements.

Subsequent to year end, on October 2, 2018, the Group sold \$3.6 million in convertible notes, which satisfied its working capital requirements for the following 12 months.

Related party disclosures

Related parties and related party transactions impacting the financial statements not disclosed elsewhere in these financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Group as a whole. Key management personnel comprise officers and directors of the Group.

Remuneration attributed to key management personnel for the years ended December 31, 2017 and 2016 are summarized as follows:

	2017	2016
Management fees	\$ -	\$ 5,000
	\$ -	\$ 5,000

Other related party transactions and balances

On December 30, 2016, a 60% interest in the ownership of Strasburg was repurchased from a previous Member in exchange for \$300,000 cash and 400lbs of hemp biomass from the most recent harvest valued at \$14,000. In payment of the \$300,000 cash, \$32,000 in previously paid management fees was applied, and a note payable was issued for the \$268,000 balance. The \$268,000 note payable is unsecured and non-interest bearing and is to be paid in variable monthly increments commencing in January 2017, in arrears, in an amount equal to the positive remainder, if any, of net sales revenue for the preceding month, minus \$26,000, and capped at \$20,000. Ownership in Strasburg was transferred effective January 1, 2016, 50% to the President and 50% to the Vice President. Subsequent to Dec 31, 2017, the terms of this note were renegotiated via court settlement. The new terms of the note include an adjusted remaining balance of \$249,500 as of May 11, 2018 (Note 16) and monthly payments of \$12,500 per month until paid implying a maturity date of November 30, 2019. The note was discounted to approximate its fair value with a discount rate which reflects the Group's borrowing rate. The estimated fair value of this note as at December 31, 2017 was \$155,004 (2016 - \$100,218), net of a discount of \$112,996 (2016 - \$181,782).

On April 27, 2017, pursuant to the operating agreement, SMBT issued 500-member units upon organization to each of the President and Vice President at a price of \$1.00 per unit for a total of 1,000 units. In consideration for the units, an operating loan due to a Group controlled by the President and Vice President was reduced by \$1,000.

On December 31, 2017, \$538,013 of an operating loan due to a Group controlled by the President and the Vice President was converted into 670,998 units of the Group.

As at December 31, 2017, a revolving promissory note to a Group controlled by the President and the Vice President had a balance of \$487,065 (2016 - \$496,047). The note is unsecured, bears an interest rate of 5% per annum, payments of interest only are due monthly, advances are due on demand and the facility expires on December 31, 2024. As at December 31, 2017, interest had accrued on the note in the amount of \$52,572 (2016 - \$21,044).

Selling, general and administrative expenses includes management fees of \$nil (2016 - \$5,000) that were paid or accrued to the Group's previous Manager.

Subsequent events

- a) On March 2, 2018, the Group retained a contractor to manufacture components of a steel processing building to be erected on the Strasburg, Colorado site. The initial payment made at signing was \$34,000, and an additional \$158,474 was paid for completion and delivery.
- b) On May 1, 2018, Global NV Corp. (Global) acquired 1,000 units from the members of SMBT at a price of \$0.02 per unit representing 100% of the outstanding units of SMBT.
- c) On May 10, 2018, the Group acquired the 60-acre parcel of farmland currently being used by the Group for its farming operations. In consideration for the land, the Group has assumed a \$210,000 note payable from a company controlled by the President and the Vice President. The note is unsecured and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on May 19, 2019.
- d) On May 10, 2018, the Group acquired an 80-acre parcel of farmland currently being used by the Group for its farming operations. In consideration for the land, the Group has assumed a \$280,000 note payable from a company controlled by the President and the Vice President. The note is unsecured and bears interest at a rate of 12.5% per annum, with payments of interest only due monthly and maturing on March 1, 2019. An additional \$15,000 payment for this land is due to a company controlled by the President and the Vice President.
- e) On May 11, 2018 a court settlement was reached under which the terms of a note payable due to a previous member were renegotiated (Note 10). Under the new terms, the Group shall pay a total of \$249,500 as full settlement of the amount owing under the original buyout agreement. Payment terms under the court settlement is an initial payment of \$24,500 to dismiss the case, and monthly payments of \$12,500 per month starting on June 30, 2018 until the balance is paid; no interest shall accrue on the note.
- f) On May 15, 2018, the Group renegotiated the terms of the \$100,000 promissory note due to mature on May 25, 2018 (Note 9). The renegotiated terms include an interest rate of 12% per annum from May 25, 2018, monthly payments of interest and principal starting August 1, 2018, and maturing on June 30, 2019. The maturity date may be extended year to year upon written agreement between the parties. The note is secured by the 60-acre parcel of land acquired by the Group on May 10, 2018.
- g) On May 31, 2018, Global issued 53,398,795 common shares, par value \$0.00 per unit, to the members of Strasburg. In exchange, Strasburg members transferred 722,800 units, par value \$0.00, to Global representing 100% of the outstanding units of Strasburg. After the close of this transaction, there was a total of 73,684,000 common shares of Global issued and outstanding, of which Strasburg members will hold 53,398,795 common shares, or 72.47% of the outstanding common shares.
- h) On June 1, 2018, Global issued a 10% stock dividend, issuing a total of 7,368,400 common shares.

- i) On June 1, 2018, Global effected a reverse stock split on an eight for one basis. As such, the Group's issued and outstanding shares of common stock were decreased on the basis of eight old shares for one new share.
- j) On July 31, 2018 and effective March 1, 2018, the Group retained a consultant to market and distribute its products in North America and internationally. The Group has paid \$50,000 cash and issued 607,876 warrants to purchase shares of common stock of Global to the consultant in exchange for these services. Each warrant entitles the consultant to acquire one common share per warrant at a price of \$1.00 per share on or before the expiry date of July 31, 2021.
- k) On October 1, 2018, the Group issued 101,315 warrants to purchase shares of common stock of Global to a consultant. Each warrant entitles the consultant to acquire one common share per warrant at a price of \$0.10 per share on or before the expiry date of August 31, 2023.
- l) On October 2, 2018, the Group sold \$3.6 million in convertible notes and 1,800,000 warrants to investors. For every \$2.00 of convertible notes purchased, investors received one share purchase warrant. Each warrant entitles the holder to purchase one common share of Global at an exercise price of \$2.00 per share for three years, expiring on October 2, 2021. The convertible notes are unsecured and bear an interest rate of 8% payable quarterly with the first payment due on December 31, 2018 and mature on October 2, 2019. Each note can be converted into common shares at the option of the investor at a conversion price of \$1.00 per share. The conversion price of the notes will be reduced to \$0.70 per share and the warrant exercise price of the warrants will be reduced to \$1.00 if the Group is not publicly listed by March 31, 2018, the Group does not produce at least \$5 million in crop value, whether in sales or inventory value, and \$2 million EBITDA. A commission of \$360,000 in cash in addition to 540,00 Warrants exercisable prior to October 2, 2023 at \$1.00 and 270,000 Warrants exercisable prior to October 2, 2023 at \$2.00 was paid to the broker of this transaction.
- m) On October 24, 2018, the Group entered into an agreement with a consultant to issue shares for services valued at \$60,000. On each of October 31, 2018 and January 30, 2019, 60,000 common shares of Global shall be issued for a total of 120,000 common shares.
- n) October 25, 2018, Global NV Corp. entered into a five (5) year NNN lease commencing January 1, 2019 for approximately 12,161 square feet of industrial flex space for its new offices, as well as processing and warehousing facility. The total liability of this lease over the term is estimated at \$1,215,250.00.
- o) On December 10, 2018, Global NV Corp., Shareholders agreed to exchange, and CBD GLOBAL SCIENCES INC. ("CBD") agrees to acquire, all of the Global NV Shares registered in their respective names, in consideration of the issuance by CBD of an aggregate of 13,451,530 CBD Units consisting of 13,451,530 CBD Common Shares and 375,064 CBD Preferred Shares to the Global NV Shareholders. CBD Shareholders will hold 2,500,000 at the time of the share exchange and the total number of common shares outstanding will be 15,951,530. Preferred shares are convertible to Common shares at 1 to 100 common shares.

Outstanding Share Data

On May 31, 2018, Global issued 53,398,795 common shares, par value \$0.00 per unit, to the members of Strasburg. In exchange, Strasburg members transferred 722,800 units, par value \$0.00, to Global representing 100% of the outstanding units of Strasburg. After the close of this transaction, there was a total of 73,684,000 common shares of Global issued and outstanding, of which Strasburg members will hold 53,398,795 common shares, or 72.47% of the outstanding common shares.

On June 1, 2018, Global issued a 10% stock dividend, issuing a total of 7,368,400 common shares..

Finally, on June 1, 2018, Global effected a reverse stock split on an eight for one basis. As such, the Group's issued and outstanding shares of common stock were decreased on the basis of eight old shares for one new share.

After giving rise to these transactions, as at December 31, 2017, the Group had 7,342,334 shares outstanding.

Proposed Transactions

On December 10, 2018, Global NV Corp., Shareholders agreed to exchange, and CBD GLOBAL SCIENCES INC. ("CBD") agrees to acquire, all of the Global NV Shares registered in their respective names, in consideration of the issuance by CBD of an aggregate of 13,451,530 CBD Units consisting of 13,451,530 CBD Common Shares and 375,064 CBD Preferred Shares to the Global NV Shareholders. CBD Shareholders will hold 2,500,000 at the time of the share exchange and the total number of common shares outstanding will be 15,951,530.

Risk Management

The Group is not subject to externally imposed capital requirements. There were no changes in the Group's approach to capital management during the period.

The Group is exposed, through its operations, to the following financial risks:

- a) Market Risk
- b) Credit Risk
- c) Liquidity Risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General Objectives, Policies, and Processes:

The Managers have overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Managers review the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of the Managers is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates, and equity price risk.

(i) Foreign Currency Risk:

The Group's functional and reporting currency is the United States dollar and major purchases are transacted in United States dollars. As a result, the Group's exposure to the foreign currency risk is minimal.

(ii) Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Group has an interest-bearing note with an investor (Note 9). It bears interest at 10% and matures on May 25, 2018. As at December 31, 2017, if the interest rates had fluctuated by 3%, with all other variables held constant, net loss would have been \$1,808 higher or lower. The interest earned on cash is insignificant, and the Group does not rely on interest to fund its operations. As a result, the Group is not at a significant risk to fluctuating interest rates.

(iii) Equity Price Risk:

The Group is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impacts on the Group's earnings due to movements in individual equities or the general movements in the level of the stock market. The Group's units are not yet publicly traded, and the Group does not hold equity investments in other entities. As a result, the Group is not at a significant risk to fluctuating equity prices.

b) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Group is subject to credit risk on its cash and accounts receivable. The Group limits its exposure to credit loss on cash by placing its cash with a high-quality financial institution. The Group has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated amongst a small number of customers. The Group performs credit evaluations of its customers but generally does not require collateral to support accounts receivable. The Group has certain amounts of aged receivables that are not deemed impaired as follows:

Aging of accounts receivable	2017		2016	
1 - 60 days	\$	-	\$	-
61 - 90 days (past due)		-		-
Over 90 days (past due)		3,569		4,996
Total	\$	3,569	\$	4,996

The Group is exposed to increased credit risk due to major customers that comprise 10% or more of revenue. For the years ended December 31, 2017 and 2016 the following revenue was recorded from major customers:

Amount of revenue from major customers	2017		2016	
Customer A	\$	41,977	\$	74,892
Customer B	\$	-	\$	48,607
Customer C	\$	-	\$	66,500
Customer D	\$	-	\$	44,000

c) Liquidity Risk

Liquidity risk arises from the Group's general and capital financing needs. The Group continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities, when feasible.

The table below summarizes the maturity profile of the Group's financial liabilities at December 31, 2017 and 2016:

As at December 31, 2017	On demand	Less than 1 year	1 -2 years	Later than 2 years	Total
Trade payables	\$ 12,534	\$ -	\$ -	\$ -	12,534
Accrued liabilities	750	-	-	-	750

Loans payable to related parties	487,065	-	-	-	487,065
Notes payable	-	100,000	155,004	-	255,004
Total liabilities	\$ 500,349	\$ 100,000	\$ 155,004	\$ -	\$ 755,353

As at December 31, 2016	On demand	Less than 1 year	1 -2 years	Later than 2 years	Total
Trade payables	\$ 25,111	\$ -	\$ -	\$ -	\$ 25,111
Accrued liabilities	38,110	-	-	-	38,110
Loans payable to related parties	496,047	-	-	-	496,047
Notes payable	-	-	-	300,218	300,218
Total liabilities	\$ 559,268	\$ -	\$ -	\$ 300,218	\$ 859,486

Accounting standards issued but not yet effective

The standards and interpretations that are issued up to the date of issuance of the Group's financial statements and applicable to the Group, but were not effective during the year ended December 31, 2017, are disclosed below. The following have not yet been adopted by the Group and are being evaluated to determine their impact.

The following standards are effective for annual periods beginning on or after January 1, 2018:

IFRS 9 Financial Instruments - IFRS 9 includes requirements for classification and measurement of financial assets and financial liabilities; impairment methodology for financial instruments; and general hedge accounting. IFRS 9 has specific requirements for whether debt instruments are accounted for at amortized cost, fair value through other comprehensive income or fair value through profit or loss. IFRS 9 requires equity instruments to be measured at fair value through profit or loss unless an irrevocable election for use of fair value through other comprehensive income which results in changes in fair value not being recycled to the income statement.

IFRS 15 Revenue from Contracts with Customers – IFRS 15 contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized.

The following standards are effective for annual periods beginning on or after January 1, 2019:

IFRS 16 Leases - IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. Instead, all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments.

Management is currently evaluating any impact that the above standards may have on the Group's combined financial statements and this assessment has not yet been finished.

Fair Value Hierarchy

The Group's financial instruments consist of cash, trade accounts receivable, accounts payable and other liabilities, and notes payable to related parties and investors. The fair value of the Group's trade accounts receivable, accounts payable and notes payable approximate the carrying value, which is the amount on the combined statements of financial position due to their short-term maturities or ability of prompt liquidation. The Group's cash is measured at fair value under the fair market hierarchy, based on level one quoted prices in active markets for identical assets. Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Group's financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy as at December 31, 2017:

	Level 1	Level 2	Level 3
Cash	\$ 4,286	\$ -	\$ -

Additional Information

The Group files annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at <http://www.sedar.com> and the Group's website <https://aethics.com/>.

APPENDIX F
FORM OF WARRANTS OF GLOBAL NV

NEITHER THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (“**ACT**”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.

Effective Date: September 20, 2018

Void After: August 31, 2023

CBD GLOBAL SCIENCES, INC.

WARRANT TO PURCHASE COMMON STOCK

CBD Global Sciences, Inc., an Alberta corporation (“**Company**”), for value received on or before September 20, 2018 (“**Effective Date**”), hereby issues to _____, a _____ (“**Holder**” or “**Warrant Holder**”) this Warrant (“**Warrant**”) to purchase, _____ shares (each such share as from time to time adjusted as hereinafter provided being a “**Warrant Share**” and all such shares being the “**Warrant Shares**” of the Company’s Common Stock (as defined below), at the Exercise Price (as defined below), as adjusted from time to time as provided herein, on or before August 31, 2023 (“**Expiration Date**”), all subject to the following terms and conditions.

As used in this Warrant, (i) “**Business Day**” means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close; (ii) “**Common Stock**” means the common stock of the Company, par value \$0.000 per share, including any securities issued or issuable with respect thereto or into which or for which such shares may be exchanged for, or converted into, pursuant to any stock dividend, stock split, stock combination, recapitalization, reclassification, reorganization or other similar event; (iii) “**Exercise Price**” means \$_____ per share of Common Stock, subject to adjustment as provided herein; (iv) “**Trading Day**” means any day on which the Common Stock is traded (or available for trading) on its principal trading market; and (v) “**Affiliate**” means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, a person, as such terms are used and construed in Rule 144 promulgated under the Securities Act of 1933, as amended (“**Securities Act**”).

1. **DURATION AND EXERCISE OF WARRANTS.**

1.1 **Exercise Period.** The Holder may exercise this Warrant in whole or in part on any Business Day on or before 5:00 P.M., Eastern Time, on the Expiration Date, at which time this Warrant shall become void and of no value.

1.2 **Exercise Procedures.**

1.2.1 While this Warrant remains outstanding and exercisable in accordance with Section 1.1, the Holder may exercise this Warrant in whole or in part at any time and from time to time by:

1.2.1.1 delivery to the Company of a duly executed copy of the Notice of Exercise attached as **Exhibit A**;

1.2.1.2 surrender of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder; and

1.2.1.3 payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, “**Aggregate Exercise Price**”) made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America.

1.2.2 Upon the exercise of this Warrant in compliance with the provisions of this Section 1.2, the Company shall promptly issue and cause to be delivered to the Holder a certificate for the Warrant Shares purchased by the Holder. The Company will use commercially reasonable best efforts to have registered the Warrant Shares upon issue. Each exercise of this Warrant shall be effective immediately prior to the close of business on the date (“**Date of Exercise**”) that the conditions set forth in Section 1.2 have been satisfied, as the case may be. On the first Business Day following the date on which the Company has received each of the Notice of Exercise and the Aggregate Exercise Price (“**Exercise Delivery Documents**”), the Company shall transmit an acknowledgment of receipt of the Exercise Delivery Documents to the Company’s transfer agent (“**Transfer Agent**”). On or before the third (3rd) Business Day following the date on which the Company has received all of the Exercise Delivery Documents (“**Share Delivery Date**”), the Company shall (i) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system, or (ii) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and dispatch by overnight courier to the address as specified in the Notice of Exercise, a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate

purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

1.2.3 **Partial Exercise.** This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any exercise pursuant to Section 1 and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such an exercise, then the Company shall as soon as practicable and in no event later than five (5) Business Days after any exercise and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

1.2.4 **Net Exercise.** Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Warrant Shares is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant to the Secretary of the Company at its principal offices together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of Warrant Shares computed using the following formula:

$$X = \frac{Y (A-B)}{A}$$

Where:

X = the number of Warrant Shares to be issued to the Holder

Y = the number of Warrant Shares purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of the Notice of Exercise)

A = the fair market value of one share of the Warrant Shares (at the date of the Notice of Exercise)

B = Exercise Price (as adjusted to the date of such calculation)

For purposes of the above calculation, the fair market value of one Warrant Share shall be the closing bid price of the Company's Common Stock for the trading day immediately prior to the date of the Exercise Notice; provided, however, that if the Company's Common Stock is not then traded on a public exchange, the fair market value of one Warrant Share shall be determined by the Corporation's Board of Directors in good faith.

- 1.2.5 **Disputes.** In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 16.

2. **ISSUANCE OF WARRANT SHARES.**

- 2.1 The Company covenants that all Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be (i) duly authorized, fully paid and non-assessable, and (ii) free from all liens, charges and security interests, with the exception of claims arising through the acts or omissions of any Holder and except as arising from applicable Federal and state securities laws.
- 2.2 The Company shall register this Warrant upon records to be maintained by the Company for that purpose in the name of the record holder of such Warrant from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner thereof for the purpose of any exercise thereof, any distribution to the Holder thereof and for all other purposes.
- 2.3 The Company will not, by amendment of its certificate of incorporation, by-laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all action necessary or appropriate in order to protect the rights of the Holder to exercise this Warrant, or against impairment of such rights.

3. **ADJUSTMENTS OF EXERCISE PRICE, NUMBER AND TYPE OF WARRANT SHARES.**

- 3.1 The Exercise Price and the number of shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary shareholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

- 3.1.1 **Subdivision or Combination of Stock.** In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Warrant Shares shall be

proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3.1.1.

3.1.2 Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefore:

3.1.2.1 any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

3.1.2.2 additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3.1.1 above), then and in each such case, the Exercise Price and the number of Warrant Shares to be obtained upon exercise of this Warrant shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Exercise Price and the Warrant Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3.1.2.

3.1.3 Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “**Organic Change**”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this

Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not effect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least ten (10) calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Warrant during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

- 3.2 **Certificate as to Adjustments.** Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if any, of other property which at the time would be received upon the exercise of the Warrant.

- 3.3 **Certain Events.** If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Warrant in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3.3 will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

4. **REDEMPTION OF WARRANTS.**

- 4.1 **General.** Prior to the Expiration Date, the Company shall have the option, subject to the conditions set forth herein, to redeem all of the Warrants then outstanding at the Redemption Price (defined hereafter), upon not less than thirty (30) days nor more than sixty (60) days prior written notice to the Warrant Holders at any time provided that, at the time of delivery of such notice (i) there is an effective registration statement covering the resale of the Warrant Shares or the Warrant Shares are otherwise freely tradable; (ii) the average daily trading volume of the Company's Common Stock has been at least 75,000 per day during the four (4) week period immediately preceding the issuance of the notice of redemption; and (iii) the closing bid price of the Company's Common Stock for twenty (20) of the thirty (30) consecutive trading days prior to the date of the notice of redemption is at least one hundred fifty percent (150%) of the then Exercise Price of the Warrants at the time of written notice to the Warrant Holders, as proportionately adjusted to reflect any stock splits, stock dividends, combination of shares or like events.
- 4.2 **Notice.** Notice of redemption will be effective upon mailing in accordance with this Section and such date may be referred to below as the "***Notice Date***." Notice of redemption shall be mailed by first class mail, postage prepaid, by the Company not less than thirty (30) days prior to the date fixed for redemption to the Holders of the Warrants to be redeemed at their last addresses as they shall appear on the registration books. Any notice mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder received such notice.
- 4.3 **Redemption Date and Redemption Price.** The notice of redemption shall state the date set for redemption, which date shall be not less than thirty (30) days, or more than sixty (60) days, from the Notice Date ("***Redemption Date***"). The Company shall not mail the notice of redemption unless all funds necessary to pay for redemption of the Warrants to be redeemed shall have first been set aside by the Company for the benefit of the Warrant Holders so as to be and continue to be available therefor. The redemption price to be paid to the Warrant Holders will be \$3.00 for each share of Common Stock of the Company to which the Warrant Holder would then be entitled upon exercise of the Warrant being redeemed, as adjusted from time to time as provided herein ("***Redemption Price***").
- 4.4 **Exercise.** Following the Notice Date, the Warrant Holders may exercise their Warrants in accordance with Section 1 of this Warrant between the Notice Date and

5:00 p.m. Eastern Time on the Redemption Date and such exercise shall be timely if the form of election to purchase duly executed and the Warrant Exercise Price for the shares of Common Stock to be purchased are actually received by the Company at its principal offices prior to 5:00 p.m. Eastern Time on the Redemption Date.

- 4.5 **Mailing.** If any Warrant Holder does not wish to exercise any Warrant being redeemed, he should mail such Warrant to the Company at its principal offices after receiving the notice of redemption. On and after 5:00 p.m. Eastern Time on the Redemption Date, notwithstanding that any Warrant subject to redemption shall not have been surrendered for redemption, the obligation evidenced by all Warrants not surrendered for redemption or effectively exercised shall be deemed no longer outstanding, and all rights with respect thereto shall forthwith cease and terminate, except only the right of the holder of each Warrant subject to redemption to receive the Redemption Price for each share of Common Stock to which he would be entitled if he exercised the Warrant upon receiving notice of redemption of the Warrant subject to redemption held by him.
- 4.6 **Warranty.** The Company represents and warrants to Holder that the redemption terms of this Section 4 are present in each other warrant issued by the Company, and that no redemption terms less favorable to the Company have been granted. The parties agree that if the Company issues any warrant in the future with redemption terms less favorable to the Company, this Warrant shall be amended without further action of the parties to adopt such terms.

5. **TRANSFERS AND EXCHANGES OF WARRANT AND WARRANT SHARES.**

- 5.1 **Registration of Transfers and Exchanges.** Subject to Section 5.3, upon the Holder's surrender of this Warrant, with a duly executed copy of the Form of Assignment attached as **Exhibit B**, to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder, the Company shall register the transfer of all or any portion of this Warrant. Upon such registration of transfer, the Company shall issue a new Warrant, in substantially the form of this Warrant, evidencing the acquisition rights transferred to the transferee and a new Warrant, in similar form, evidencing the remaining acquisition rights not transferred, to the Holder requesting the transfer.
- 5.2 **Warrant Exchangeable for Different Denominations.** The Holder may exchange this Warrant for a new Warrant or Warrants, in substantially the form of this Warrant, evidencing in the aggregate the right to purchase the number of Warrant Shares which may then be purchased hereunder, each of such new Warrants to be dated the date of such exchange and to represent the right to purchase such number of Warrant Shares as shall be designated by the Holder. The Holder shall surrender this Warrant with duly executed instructions regarding such re-certification of this Warrant to the Secretary of the Company at its principal offices or at such other office or agency as the Company may specify in writing to the Holder.
- 5.3 **Restrictions on Transfers.** This Warrant may not be transferred at any time without (i) registration under the Securities Act or (ii) an exemption from such registration and a written opinion of legal counsel addressed to the Company that the proposed transfer of the Warrant may be effected without registration under the Securities Act,

which opinion will be in form and from counsel reasonably satisfactory to the Company.

- 5.4 **Permitted Transfers and Assignments.** Notwithstanding any provision to the contrary in this Section 5, the Holder may transfer, with or without consideration, this Warrant or any of the Warrant Shares (or a portion thereof) to the Holder's Affiliates (as such term is defined under Rule 144 of the Securities Act) without obtaining the opinion from counsel that may be required by Section 5.3(ii), provided, that the Holder delivers to the Company and its counsel certification, documentation, and other assurances reasonably required by the Company's counsel to enable the Company's counsel to render an opinion to the Company's Transfer Agent that such transfer does not violate applicable securities laws.
6. **MUTILATED OR MISSING WARRANT CERTIFICATE.** If this Warrant is mutilated, lost, stolen or destroyed, upon request by the Holder, the Company will, at its expense, issue, in exchange for and upon cancellation of the mutilated Warrant, or in substitution for the lost, stolen or destroyed Warrant, a new Warrant, in substantially the form of this Warrant, representing the right to acquire the equivalent number of Warrant Shares; provided, that, as a prerequisite to the issuance of a substitute Warrant, the Company may require satisfactory evidence of loss, theft or destruction as well as an indemnity from the Holder of a lost, stolen or destroyed Warrant.
7. **PAYMENT OF TAXES.** The Company will pay all transfer and stock issuance taxes attributable to the preparation, issuance and delivery of this Warrant and the Warrant Shares (and replacement Warrants) including, without limitation, all documentary and stamp taxes; provided, however, that the Company shall not be required to pay any tax in respect of the transfer of this Warrant, or the issuance or delivery of certificates for Warrant Shares or other securities in respect of the Warrant Shares to any person or entity other than to the Holder.
8. **FRACTIONAL WARRANT SHARES.** No fractional Warrant Shares shall be issued upon exercise of this Warrant. The Company, in lieu of issuing any fractional Warrant Share, shall round up the number of Warrant Shares issuable to nearest whole share.
9. **NO STOCK RIGHTS AND LEGEND.** No holder of this Warrant, as such, shall be entitled to vote or be deemed the holder of any other securities of the Company that may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, the rights of a shareholder of the Company or the right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting shareholders (except as provided herein), or to receive dividends or subscription rights or otherwise (except as provide herein).

Each certificate for Warrant Shares initially issued upon the exercise of this Warrant, and each certificate for Warrant Shares issued to any subsequent transferee of any such certificate, shall be stamped or otherwise imprinted with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE

“ACT”), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.”

10. **RESERVED**

11. **NOTICES**. All notices, consents, waivers, and other communications under this Warrant must be in writing and will be deemed given to a party when (i) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (ii) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; (iii) received or rejected by the addressee, if sent by certified mail, return receipt requested, if to the registered Holder hereof; or (iv) seven (7) days after the placement of the notice into the mails (first class postage prepaid), to the Holder at the address, facsimile number, or e-mail address furnished by the registered Holder to the Company, or if to the Company, to it at:

CBD Global Sciences, Inc.
225 Union Blvd., Suite 350
Lakewood, CO 80228
Attention: Brad Wyatt, Chief Executive Officer

with copy to:

Denali Law Firm, LLC
PO Box 955
Littleton, CO 80160
Attention: Robert J. Hopp, Esq.

12. **SEVERABILITY**. If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.
13. **BINDING EFFECT**. This Warrant shall be binding upon and inure to the sole and exclusive benefit of the Company, its successors and assigns, the registered Holder or Holders from time to time of this Warrant and the Warrant Shares.
14. **SURVIVAL OF RIGHTS AND DUTIES**. This Warrant shall terminate and be of no further force and effect on the earlier of 5:00 P.M., Eastern Time, on the Expiration Date or the date on which this Warrant has been exercised in full.
15. **GOVERNING LAW**. This Warrant will be governed by and construed under the laws of the State of Colorado without regard to conflicts of laws principles that would require the application of any other law.

16. **DISPUTE RESOLUTION.** In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via facsimile within two Business Days of receipt of the Notice of Exercise giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two (2) Business Days, submit via facsimile (i) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (ii) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.
17. **NOTICES OF RECORD DATE.** Upon (i) any establishment by the Company of a record date of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or right or option to acquire securities of the Company, or any other right, or (ii) any capital reorganization, reclassification, recapitalization, merger or consolidation of the Company with or into any other corporation, any transfer of all or substantially all the assets of the Company, or any voluntary or involuntary dissolution, liquidation or winding up of the Company, or the sale, in a single transaction, of a majority of the Company's voting stock (whether newly issued, or from treasury, or previously issued and then outstanding, or any combination thereof), the Company shall mail to the Holder at least ten (10) Business Days, or such longer period as may be required by law, prior to the record date specified therein, a notice specifying (A) the date established as the record date for the purpose of such dividend, distribution, option or right and a description of such dividend, option or right, (B) the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up, or sale is expected to become effective and (C) the date, if any, fixed as to when the holders of record of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation or winding up.
18. **RESERVATION OF SHARES.** The Company shall reserve and keep available out of its authorized but unissued shares of Common Stock for issuance upon the exercise of this Warrant, free from pre-emptive rights, such number of shares of Common Stock for which this Warrant shall from time to time be exercisable. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation. Without limiting the generality of the foregoing, the Company covenants that it will use commercially reasonable efforts to take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and use commercially reasonable efforts to obtain all such authorizations, exemptions or consents, including but not limited to consents from the Company's shareholders or Board of Directors or any public regulatory body, as may be necessary to enable the Company to perform its obligations under this Warrant.

19. **NO THIRD PARTY RIGHTS.** This Warrant is not intended, and will not be construed, to create any rights in any parties other than the Company and the Holder, and no person or entity may assert any rights as third-party beneficiary hereunder.

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date first set forth above.

CBD GLOBAL SCIENCES, INC.

By: _____
Brad Wyatt, CEO

EXHIBIT A
NOTICE OF EXERCISE

(To be executed by the Holder of Warrant if such Holder desires to exercise Warrant)

To CBD Global Sciences, Inc.:

The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, as follows (select A or B):

- (A) _____ full Warrant Shares of CBD Global Sciences, Inc., common stock issuable upon exercise of the Warrant and delivery of \$_____ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant.
- (B) _____ full Warrant Shares of CBD Global Sciences, Inc., common stock issuable upon exercise of the Warrant pursuant to the net exercise provision set forth in Section 1.2.4 , and any applicable taxes payable by the undersigned pursuant to such Warrant.

The undersigned requests that certificates for such shares be issued in the name of:

(Please print name, address and social security or federal employer
identification number (if applicable))

If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

(Please print name, address and social security or federal employer
identification number (if applicable))

Name of Holder (print): _____
(Signature): _____
(By:) _____
(Title:) _____
Dated: _____

EXHIBIT B
FORM OF ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers to each assignee set forth below all of the rights of the undersigned under the Warrant (as defined in and evidenced by the attached Warrant) to acquire the number of Warrant Shares set opposite the name of such assignee below and in and to the foregoing Warrant with respect to said acquisition rights and the shares issuable upon exercise of the Warrant:

Name of Assignee	Address	Number of Shares

If the total of the Warrant Shares are not all of the Warrant Shares evidenced by the foregoing Warrant, the undersigned requests that a new Warrant evidencing the right to acquire the Warrant Shares not so assigned be issued in the name of and delivered to the undersigned.

Name of Holder (print): _____

(Signature): _____

(By:) _____

(Title:) _____

Dated: _____

APPENDIX G

FORM OF CONVERTIBLE NOTES OF GLOBAL NV

THIS NOTE HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS.

No. ●

U.S. \$ ●

Issue Date: **September 20, 2018**

**CBD GLOBAL 2018 UNSECURED CONVERTIBLE NOTE
DUE OCTOBER 2, 2019**

THIS NOTE is one of a duly authorized issue of notes of CBD Global Sciences, Inc., an Alberta corporation, successor by merger to **GLOBAL NV CORP.**, a Nevada corporation, (“**Company**”), designated as its CBD Global 2018 Unsecured Convertible Note (“**Note(s)**”) due on October 2, 2019 (“**Maturity Date**”), in an aggregate principal amount of USD\$3,600,000 plus accrued and unpaid interest convertible into shares of Common Stock (“**Conversion Shares**”) whereby each such share may be adjusted from time to time as described hereinafter.

FOR VALUE RECEIVED, the Company promises to pay to ●, the registered holder hereof (“**Holder**”), the principal sum of ● Dollars (USD\$●) and to pay interest on the principal sum outstanding from time to time in arrears at the rate of eight percent (8%) per annum (“**Interest**”), accruing from September 20, 2018, the date of initial issuance of this Note (“**Issue Date**”). Accrual of interest shall commence on the first such business day to occur after the Issue Date and shall continue to accrue on a daily basis until payment in full of the principal sum has been made or duly provided for.

The Company shall pay principal and any accrued and unpaid Interest on the earlier of (i) the Conversion Date or (ii) the Maturity Date.

This Note is being issued pursuant to the terms of the Subscription Agreement, accepted September 20, 2018 (“**Subscription Agreement**”), to which the Company and the Holder (or the Holder’s predecessor in interest) are parties. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Subscription Agreement.

This Note is subject to the following additional provisions.

1. **NO COLLATERAL/PARI PASSU.**

1.1 This Note is one of a series of notes known as the ***CBD Global 2018 Unsecured Convertible Notes*** in a total principal amount of USD\$3,600,000.00 (which includes an overallotment option) plus accrued but unpaid interest. No payments will be made to the holder of this Note unless a proportional payment (based on outstanding principal amount) is made with respect to all other Notes. Upon liquidation, this Note will be treated *in pari passu* with all other Notes and all other unsecured indebtedness of the Company.

1.2 The Company's obligations under this Note are unsecured.

2. **NO SALE OR TRANSFER.** This Note may not be sold, transferred, assigned, hypothecated or divided into two or more Notes of smaller denominations except to the extent such sale, transfer, assignment, hypothecation or division is in compliance with federal and applicable state securities laws, the compliance with which must be established to the reasonable satisfaction of the Company.

3. **ADJUSTMENTS OF CONVERSION PRICE AND NUMBER OF SHARES.**

3.1 The Conversion Price and the number of shares purchasable upon the conversion of this Note shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 3; provided, that notwithstanding the provisions of this Section 3, the Company shall not be required to make any adjustment if and to the extent that such adjustment would require the Company to issue a number of shares of Common Stock in excess of its authorized but unissued shares of Common Stock, less all amounts of Common Stock that have been reserved for issue upon the conversion of all outstanding securities convertible into shares of Common Stock and the exercise of all outstanding options, warrants and other rights exercisable for shares of Common Stock. If the Company does not have the requisite number of authorized but unissued shares of Common Stock to make any adjustment, the Company shall use its commercially best efforts to obtain the necessary shareholder consent to increase the authorized number of shares of Common Stock to make such an adjustment pursuant to this Section 3.

3.1.1 Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of Conversion Shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares shall be proportionately decreased. The Conversion Price and the Conversion Shares, as so adjusted, shall be

readjusted in the same manner upon the happening of any successive event or events described in this Section 3.1.1.

3.1.2 Dividends in Stock, Property, Reclassification. If at any time, or from time to time, all of the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Note) shall have received or become entitled to receive, without payment therefore:

3.1.2.1 any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

3.1.2.2 additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 3.1.1 above), then and in each such case, the Conversion Price and the number of Conversion Shares to be obtained upon exercise of this Note shall be adjusted proportionately, and the Holder hereof shall, upon the exercise of this Note, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The Conversion Price and the Conversion Shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 3.1.2.

3.1.3 Reorganization, Reclassification, Consolidation, Merger or Sale. If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “**Organic Change**”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Note) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in

exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full exercise of the rights represented by this Note. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Conversion Price and of the number of shares purchasable and receivable upon the exercise of this Note) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. The Company will not effect any such consolidation, merger or sale unless, prior to the consummation thereof, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least ten (10) calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to exercise this Note during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

- 3.2 **Certificate as to Adjustments.** Upon the occurrence of each adjustment or readjustment pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Holder of this Note a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall promptly furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; and (ii) the number of shares and the amount, if

any, of other property which at the time would be received upon the exercise of the Note.

- 3.3 **Certain Events.** If any event occurs as to which the other provisions of this Section 3 are not strictly applicable but the lack of any adjustment would not fairly protect the purchase rights of the Holder under this Note in accordance with the basic intent and principles of such provisions, or if strictly applicable would not fairly protect the purchase rights of the Holder under this Note in accordance with the basic intent and principles of such provisions, then the Company's Board of Directors will, in good faith, make an appropriate adjustment to protect the rights of the Holder; provided, that no such adjustment pursuant to this Section 3.3 will increase the Conversion Price or decrease the number of Conversion Shares as otherwise determined pursuant to this Section 3.

- 4 **PROVISIONS REGARDING PAYMENT OF INTEREST.** Interest hereunder will be paid to the Holder on each Interest Payment Date. An Interest Payment Date will be the last day of each quarter commencing December 31, 2018. If not paid previously, all interest will be payable on the date of conversion or at the Maturity Date.

5 **DEFAULT.**

- 5.1 **Event of Default.** Wherever used herein, Event of Default means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

- 5.1.1 Any default in the payment of the principal of or interest on this Note as and when the same shall become due and payable, (whether on the Maturity Date or by acceleration or otherwise);
- 5.1.2 The Company shall fail to observe or perform any other covenant, agreement or warranty contained in, or otherwise commit any breach of, this Note or and such failure or breach shall not have been remedied within thirty (30) days after the date on which notice of such failure or breach shall have been given;
- 5.1.3 The Company shall commence a voluntary case under the United States Bankruptcy Code or insolvency laws as now or hereafter in effect or any successor thereto ("***Bankruptcy Code***"); or an involuntary case is commenced against the Company under the Bankruptcy Code and the petition is not controverted within thirty (30) days, or is not dismissed within sixty (60) days, after commencement of such involuntary case; or a "***custodian***" (as defined in the Bankruptcy Code) is appointed for, or takes charge of, all or any substantial part of the property of the Company or the Company commences any other proceeding under any reorganization,

arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Company or there is commenced against the Company any such proceeding which remains undismissed for a period of sixty (60) days; or the Company is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Company suffers any appointment of any custodian or the like for it or any substantial part of its property which continues undischarged or unstayed for a period of sixty (60) days; or the Company makes a general assignment for the benefit of creditors; or the Company shall fail to pay, or shall state that it is unable to pay its debts generally as they become due; or the Company shall call a meeting of all of its creditors with a view to arranging a composition or adjustment of its debts; or the Company shall by any act or failure to act indicate its consent to, approval of or acquiescence in any of the foregoing; or any corporate or other action is taken by the Company for the purpose of effecting any of the foregoing.

5.2 **REMEDIES.** The Holder may declare a default under Paragraph 5.1.1 upon not less than fifteen (15) days' written notice to the Company. If the Company fails to cure an Event of Default within such period (or if the cure cannot be reasonably completed within such period, commence the cure of the Event of Default and diligently pursue such cure), then the principal amount hereof together with all accrued and unpaid interest up to the date of default shall thereafter accrue interest at the default interest rate of twelve percent (12%) per annum and the Holders may:

5.2.1 Declare all amounts due under the Notes immediately due and owing and exercise all rights with respect thereto permitted by law;

5.2.2 Apply to a court with its seat in Colorado that has jurisdiction over the Company for the appointment of a receiver to manage the assets and operations of the Company;

5.2.3 Convert all of the Notes into shares of Common Stock of the Company; or

5.2.4 Assert any other remedy available at law or in equity.

6 **PREPAYMENT.** The Company may prepay this Note in whole or in part at any time prior to the Maturity Date upon not less than thirty (30) days' written notice to the Holder.

7 **DEFINITIONS.** For the purposes hereof, the following terms shall have the following meanings:

“BUSINESS DAY” means any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of Colorado are authorized or required by law or other government action to close.

“COMPANY” means CBD Global Sciences, Inc. an Alberta corporation as successor by merger to Global NV Corp., a Nevada corporation.

“COMMON STOCK” shall mean the common stock of the Company, par value \$0.000 per share.

“CONVERSION AMOUNT” shall mean the total of unpaid principal and accrued but unpaid interest at the date such amount is determined.

“CONVERSION PRICE” shall mean USD\$1.00 per share, as adjusted by Section 3, above.

“CONVERSION SHARES” shall mean the shares of the Company’s Common Stock.

“NOTES” means the Notes, or any of them, as the context may require.

“HOLDER” means any Person who is a registered holder of this Note as listed in the books of the Company.

“INTEREST PAYMENT DATE” is as defined in the paragraph entitled “FOR VALUE RECEIVED,” above.

“MARKET PRICE” at any date shall be deemed to be (i) if the principal trading market for such securities is any exchange, the last reported sale price, on each Trading Day for which determination is made as officially reported on any consolidated tape, (ii) if the principal market for such securities is the over-the-counter market, the closing prices (or, if no closing price, the closing bid price) on such Trading Days as set forth by Nasdaq or the OTC Bulletin Board (whichever is the principal market for the Company’s common stock) as reported at <http://finance.yahoo.com> or, (iii) if the security is not quoted on Nasdaq or the OTC Bulletin Board, the average bid and asked price as set forth on www.pinksheets.com or (if not available) in the National Quotation Bureau sheet listing such securities for such day. Notwithstanding the foregoing, if there is no reported closing price or bid price, as the case may be, on any of the ten trading days preceding the event requiring a determination of Market Price hereunder, then the Market Price shall be determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it.

“MATERIAL ADVERSE EFFECT” means a material adverse effect upon the business, operations, properties, assets or condition (financial or otherwise) of the Company taken as a whole.

“MATURITY DATE” means the date defined in the first paragraph or (if earlier) the date of any prepayment or acceleration.

“ORIGINAL ISSUE DATE” shall mean the date this Note is purchased by the initial holder.

“PERSON” means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

“TRADING DAY” means a day in which the market on which shares of the Company’s common stock are principally traded is open for trading, whether or not any shares of the Company’s common stock are actually traded on that day.

8 **CONVERSION.**

8.1 **Voluntary Conversion.** At any time before this Note has been paid, upon written notice to the Company, the Holder may convert the Conversion Amount into (i) Conversion Shares determined by dividing the Conversion Amount by the Conversion Price. The Notes can be converted into shares of Common Stock at the option of the investor at a conversion price equal to USD\$1.00 per share. If conversion is elected after March 31, 2019, the conversion price will be reduced to USD\$0.70 per share if the Company is not publicly listed by March 31, 2019 or for the 12-month period ending March 31, 2019 the company does not produce at least USD\$5,000,000 in crop value, whether in sales revenue or inventory value, and USD\$2,000,000 EBITDA.

8.2 **Limitation on Conversion.** Notwithstanding any other provision hereof, in no event (except (i) as specifically provided herein as an exception to this provision, or (ii) while there is outstanding a tender offer for any or all of the shares of the Company’s Common Stock) shall the Holder be entitled to convert any portion of this Note, or shall the Company have the obligation to convert such Note to the extent that, after such conversion, the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or other convertible securities or of the unexercised portion of warrants or other rights to purchase Common Stock), and (2) the number of shares of Common Stock issuable upon conversion of the Common Stock which are issuable upon the conversion of the Notes with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% of the outstanding shares of Common Stock (after taking into account the shares to be issued to the Holder upon such conversion). For purposes of the proviso to the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended, except as otherwise provided in clause (1) of such sentence. The Holder, by its acceptance of this Note, further agrees that if the Holder transfers or assigns any of the Notes to a party who or which would not be considered such an affiliate, such assignment shall be made subject to the transferee’s or assignee’s specific agreement to be bound by the provisions of this Paragraph 8.2 as if such transferee or assignee were the original Holder hereof. Nothing herein shall preclude the Holder from disposing of a sufficient number of other shares of

Common Stock beneficially owned by the Holder so as to thereafter permit the continued conversion of this Note. The provisions of this Paragraph 8.2 do not apply to any Holder who is the beneficial owner of five percent (5%) or more of the outstanding Common Stock of the Company without regard to the conversion of this Note, and (ii) may be waived by the Holder.

- 8.3 **Manner of Conversion.** Conversion shall be effectuated by delivering Notice of Conversion (as defined below) to the Company as provided in this paragraph. The Notice of Conversion shall be executed by the Holder of this Note and shall evidence such Holder's intention to convert this Note or a specified portion hereof in the form annexed hereto as **Exhibit A**. No fractional shares of Common Stock or scrip representing fractions of shares will be issued on conversion, but the number of shares issuable shall be rounded to the nearest whole share. The date on which notice of conversion is given ("**Conversion Date**") shall be deemed to be the date on which the Holder delivers the conversion notice ("**Notice of Conversion**") to the Company so that it is received by the Company on or before such specified date, provided that, if such conversion would convert the entire remaining principal of this Note, the Holder shall deliver to the Company the original Note(s) being converted no later than five (5) business days thereafter. Certificates representing Common Stock upon conversion ("**Conversion Certificates**") will be delivered to the Holder at the address specified in the Notice of Conversion (which may be the Holder's address for notices as contemplated by the Subscription Agreement or a different address), via express courier, by electronic transfer or otherwise, and, if interest is paid by Common Stock, the Interest Payment Date. The Holder shall be deemed to be the holder of the shares issuable to it in accordance with the provisions of this Section 8 on the Conversion Date.

8.4 **Nature of Conversion Shares Issued.**

- 8.4.1 When issued upon conversion of the Notes pursuant to Section 8.1 hereof, the Conversion Shares will be legally and validly issued, fully-paid and non-assessable.
- 8.4.2 Upon any conversion, this Note will be deemed cancelled and of no further force and effect, representing only the right to receive the Conversion Shares regardless whether the Holder delivers this Note to the Company for cancellation.
- 8.4.3 As soon as possible after a conversion has been effected (and subject to the Holder having returned the Note to the Company for cancellation), the Company will deliver to the converting holder a certificate or certificates representing the Conversion Shares issuable by reason of such conversion in such name or names and such denomination or denominations as the

converting holder has specified. If any fractional share of Common Stock would be issuable upon any conversion, the Company will pay the holder of the Conversion Shares an amount equal to the Market Price of such fractional share.

8.4.4 The issuance of certificates for Conversion Shares will be made without charge.

8.4.5 The Company will not close its books against the transfer of the Conversion Shares issued or issuable in any manner which interferes with the conversion of this Note.

9 **NO IMPAIRMENT.** Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, and interest on, this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct obligation of the Company.

10 **NO RIGHTS AS A SHAREHOLDER.** This Note shall not entitle the Holder to any of the rights of a shareholder of the Company, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of shareholders or any other proceedings.

11 **NO RECOURSE.** No recourse shall be had for the payment of the principal of, or the interest on, this Note, or for any claim based hereon, or otherwise in respect hereof, against any incorporator, shareholder, officer or director, as such, past, present or future, of the Company or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released.

12 **PAYMENTS.** All payments contemplated hereby to be made “*in cash*” shall be made in immediately available good funds of United States of America currency by wire transfer to an account designated in writing by the Holder to the Company (which account may be changed by notice similarly given). All payments of cash and each delivery of shares of Common Stock issuable to the Holder as contemplated hereby shall be made to the Holder at the address last appearing on the Note Register of the Company as designated in writing by the Holder from time to time; except that the Holder can designate, by notice to the Company, a different delivery address for any one or more specific payments or deliveries.

13 **INVESTMENT.** The Holder of the Note, by acceptance hereof, agrees that this Note is being acquired for investment and that such Holder will not offer, sell or otherwise dispose of this Note or the shares of Common Stock issuable upon conversion thereof except under circumstances which will not result in a violation of the Act or any applicable state Blue Sky or foreign laws or similar laws relating to the sale of securities.

- 14 **NOTE EXCHANGE.** The Notes will initially be issued in denominations determined by the Company, but are exchangeable for an equal aggregate principal amount of Notes of different denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration or transfer or exchange.
- 15 **WITHHOLDING.** The Company shall be entitled to withhold from all payments of principal of, and interest on, this Note any amounts required to be withheld under the applicable provisions of the United States income tax laws or other applicable laws at the time of such payments, and Holder shall execute and deliver all required documentation in connection therewith.
- 16 **NOTE TRANSFER.** This Note has been issued subject to investment representations of the original purchaser hereof and may be transferred or exchanged only in compliance with the Securities Act of 1933, as amended (“**Act**”), and other applicable state and foreign securities laws and the terms of the Subscription Agreement. In the event of any proposed transfer of this Note, the Company may require, prior to issuance of a new Note in the name of such other person, that it receive reasonable transfer documentation that is sufficient to evidence that such proposed transfer complies with the Act and other applicable state and foreign securities laws and the terms of the Subscription Agreement. Prior to due presentment for transfer of this Note, the Company and any agent of the Company may treat the person in whose name this Note is duly registered on the Company’s Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note be overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.
- 17 **MUTILATED, LOST OR STOLEN NOTES.** If this Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the principal amount of this Note so mutilated, lost, stolen or destroyed but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, and adequate indemnity, if requested, all reasonably satisfactory to the Company.
- 18 **GOVERNING LAW.** This Note shall be governed by and construed in accordance with the laws of the State of Colorado. Each of the parties consents to the exclusive jurisdiction of the federal courts whose districts encompass any part of Denver, Colorado, or the state courts of the State of Colorado sitting in City and County of Denver, Colorado in connection with any dispute arising under this Agreement and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on *forum non conveniens*, to the bringing of any such proceeding in such jurisdictions. To the extent determined by such court, the Company shall reimburse the Holder for any reasonable legal fees and disbursements incurred by the Holder in enforcement of or protection of any of its rights under any of this Note.

- 19 **WAIVER OF JURY TRIAL; NO OTHER WAIVERS.** The Company and the Holder hereby waive the right to a trial by jury in any action, proceeding or counterclaim in respect of any matter arising out or in connection with this Note. Any waiver by the Company or the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Company or the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note. Any waiver must be in writing.
- 20 **SEVERABILITY.** If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances.
- 21 **OBLIGATIONS DUE ON A BUSINESS DAY.** Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day (or, if such next succeeding Business Day falls in the next calendar month, the preceding Business Day in the appropriate calendar month).

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by an officer duly authorized for such purpose, as of the date first above indicated.

CBD GLOBAL SCIENCES, INC.

By: _____
Brad Wyatt, President/CEO

Accepted this ____ day of September 2018 by the undersigned, thereunto duly authorized, in accordance with the terms stated herein and the Subscription Agreement pursuant to which the undersigned acquired this Note.

Name of Holder:

By:_____

APPENDIX H
AUDIT COMMITTEE CHARTER
CBD GLOBAL SCIENCES INC.

A. PURPOSE

The audit committee (“**Audit Committee**”) of CBD Global Sciences Inc. (“**Corporation**”) is responsible for ensuring accounting integrity and solvency. The Audit Committee is also responsible for ensuring the appropriateness of insurance and investment of liquid funds. The Audit Committee will assist the board of directors of the Corporation (“**Board**”) in fulfilling its oversight responsibilities by:

- reviewing the integrity of the consolidated financial statements of the Corporation;
- appointing (subject to shareholder ratification if required), determining funding for, and overseeing the external auditor and reviewing the external auditor’s qualifications and independence;
- reviewing the performance of the Corporation’s external auditors;
- reviewing the timely compliance by the Corporation with all legal and regulatory requirements for audit and related financial functions of the Corporation;
- reviewing, and if applicable, approving, financial information contained in public filings of the Corporation prior to filing;
- reviewing earnings announcements of the Corporation prior to release to the public;
- reviewing the Corporation’s systems of and compliance with internal financial controls;
- reviewing the Corporation’s auditing, accounting and financial reporting processes;
- dealing with all complaints regarding accounting, internal accounting controls and auditing matters; and
- dealing with any issues that result from the reviews set forth above.

In performing its functions, the Audit Committee must comply with the requirements of applicable rules and laws, including National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) and applicable exchange policies. Nothing herein is intended to expand, or shall result in the expansion of, applicable standards of liability under Canadian law for directors of a corporation.

B. MEMBERSHIP

1. The Audit Committee will have a minimum of three (3) members.
2. The members of Audit Committee must include that number of independent individuals as is prescribed by applicable securities laws, regulations and policies. “Independent” shall have the meaning, given to it in NI 52-110, as may be amended from time to time.
3. At the time of his or her appointment to the Audit Committee, each member of the Audit Committee shall be financially literate. “Financial literacy” shall be determined by the Board in the exercise of its business judgment, and shall include the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s consolidated financial statements.
4. Appointments and replacements to the Audit Committee will be made by the Board and will be reviewed on an annual basis. The Board will provide for continuity of membership, while at the same time allowing fresh perspectives to be added. The Board may remove the members of the Committee, with or without cause.
5. The Chair of the Audit Committee will be appointed by the Board.

C. MEETINGS

1. The Audit Committee may meet, in person, telephonically or electronically, as many times per year as necessary to carry out its responsibilities, but must meet at least once every quarter. No business may be transacted at a meeting unless a quorum of the Audit Committee is present. Two (2) members of the Audit Committee shall constitute a quorum.
2. The Audit Committee shall maintain minutes or other forms of records of the meetings and activities of the Audit Committee in sufficient detail to convey the substance of all discussions held, and shall report to the Board, within a reasonable time period, the proceedings of the Audit Committee and any recommendations made by the Audit Committee.
3. Meetings of the Audit Committee will be held at the request of any member of the Audit Committee or at the request of the Corporation's external auditors. The Corporation's external auditor is entitled to receive notice of every meeting of the Audit Committee and to attend and be heard at every meeting, at the expense of the Corporation and, if so requested by a member of the Audit Committee, shall attend every meeting of the committee held during the term of office of the auditor.
4. The Audit Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. Provision will be made to meet privately with external auditors.

D. FINANCIAL REVIEW

1. The Audit Committee will review the Corporation's consolidated financial statements, management discussion and analysis ("MD&A") and the related press releases before such documents are presented to the Board or disclosed publicly, as the case may be.
2. The Audit Committee will review the interim consolidated financial statements of the Corporation, the related MD&A, and the press release thereon. If advisable, the Audit Committee shall approve, on behalf of the Board, the interim consolidated financial statements and related MD&A for public disclosure.
3. The Audit Committee will review the annual audited consolidated financial statements of the Corporation, the auditor's report thereon, the related MD&A, and the press release thereon. If advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and related MD&A.
4. The Audit Committee will review other financial information and financial documents that require the approval of the Board. These will include statements in Prospectuses and other offering memoranda, news release containing financial information, or other documents including financial outlooks or future oriented financial information and statements required by regulatory authorities. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval such financial information.
5. The Audit Committee will issue any necessary reports required of the Audit Committee to be included in the Corporation's annual proxy materials.
6. The Audit Committee will review and discuss with management and the external auditor any major issue as to the adequacy and effectiveness of internal controls over the accounting and financial reporting systems of the Corporation, either directly, or through the external auditors or other advisors and obtain and review a report from the external auditor, at least annually, regarding the same; and the Audit Committee will review and discuss with management and the external auditor any special steps adopted in light of material internal control deficiencies and the adequacy of disclosures about changes in internal controls over financial reporting.
7. The Audit Committee will review, with the external auditors, the results of the external audit and any changes in accounting practices or policies, or in the consolidated financial statements as a result thereof. In addition, the Audit Committee will review any accruals, provisions, or estimates that have a significant effect upon the financial statements, as well as other sensitive matters such as disclosure of related party transactions.

8. The Audit Committee will discuss with management and the external auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Corporation's consolidated financial statements or accounting policies.

E. AUDITORS

1. The Audit Committee is responsible for overseeing the work of the external auditor and will communicate directly with the external auditors as required. The external auditor of the Corporation must report directly to the Audit Committee.
2. The Audit Committee will be responsible for resolving disagreements between the auditors and the Company's management.
3. The Audit Committee shall review and, if advisable, select and recommend for Board approval the external auditors to be nominated and the compensation of such external auditor. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees.
4. The Audit Committee will evaluate the qualifications, performance and independence of the external auditor and the senior audit partners having primary responsibility for the audit, including considering whether the auditor's quality controls are adequate.
5. The Audit Committee will receive from the external auditor a formal written statement delineating all relationships between the external auditor and the Corporation and will actively engage in a dialogue with the external auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. The Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the external auditor. Notwithstanding the foregoing, the Audit Committee: (a) may delegate to one or more independent members the authority to pre-approve any non-audit service to be provided by the external auditor, to the extent permitted by applicable law, provided that any pre-approvals granted pursuant to such delegation will be reported to the full Audit Committee at its next scheduled meeting; and (b) establish policies and procedures, from time to time, pre-approving certain non-audit services to be provided by the external auditor, provided (i) such pre-approval policies and procedures are detailed as to the particular service, (ii) the Audit Committee is informed of each non-audit service, and (iii) the procedures do not include delegation of the Audit Committee's responsibilities to management.
7. The Audit Committee will review and approve the Corporation's hiring policies regarding partners, employees, former partners and former employees of the present and former external auditor of the Corporation.
8. The Audit Committee has the authority, to the extent it deems necessary or appropriate, to retain independent counsel and any other advisors. The Corporation will provide appropriate funding, as determined by the Audit Committee, for payment of compensation to the external auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services and to any advisors employed by the Audit Committee.

F. MISCELLANEOUS

1. The Audit Committee will establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
2. The Audit Committee will review the policies and practices of the Corporation regarding the regular examination of officers' expenses and perquisites, including the use of the assets of the Corporation.
3. The Audit Committee will ensure and periodically assess that policies and procedures to maintain the integrity of the Corporation's public disclosure of financial information extracted or derived from its consolidated financial statements are in place and are effective.

4. The Corporation must provide appropriate funding, as determined by the Audit Committee, for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.
5. The Audit Committee will review and, if advisable, approve all related party transactions.
6. The Audit Committee will review and reassess the adequacy of this mandate as it deems appropriate.

Approved by the Board effective November 30, 2018.

APPENDIX I

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

CBD GLOBAL SCIENCES INC.
Pro Forma Consolidated Statement of Financial Position
February 28, 2019
(Expressed in United States dollars)
(Unaudited)

	NV Global Corp.	CBD Global	Notes	Pro Forma Adjustments		Pro Forma Balance
				DR	CR	
ASSETS						
Cash	320,331	79,204	g) i) k)	2,026 262,500 25,000	- - -	689,061
Trade and other receivables	75,000	-		-	-	75,000
Prepaid expenses and deposits	42,871	27,054		-	-	69,925
Inventory	4,117,369	-		-	-	4,117,369
Total current assets	4,555,571	106,258		289,826	-	4,951,355
Deposits	113,110	-		-	-	113,110
Property, plant and equipment	1,332,302	-		-	-	1,332,302
Total assets	6,000,983	106,258		289,826	-	6,396,767
LIABILITIES AND SHAREHOLDERS' EQUITY						
Accounts payable and other liabilities	233,757	-	a) f) h) l)	- 41,000 26,112 45,000	100,000 - - -	221,645
Due to related parties	483,587	-	b)	476,087	-	7,500
Income taxes payable	116,000	-		-	-	116,000
Notes payable	699,213	-	e) i)	590,000 -	- 262,500	371,713
Convertible debt	2,436,109	-	d)	116,555	-	2,319,554
Total current liabilities	3,968,666	-		1,294,754	362,500	3,036,412
Due to related parties	-	-	b)	-	476,087	476,087
Long-term debt	-	-	e)	-	590,000	590,000
Total liabilities	3,968,666	-		1,294,754	1,428,587	4,102,499
SHAREHOLDERS' EQUITY						
Share capital	3,532,850	149,816	a) c) d) e) f) g) h) k)	149,816 - - - - - - -	318,194 10,000 175,000 9,800 100,000 102,565 26,112 25,000	4,399,521

CBD GLOBAL SCIENCES INC.**Notes to the Pro Forma Consolidated Statement of Financial Position****February 28, 2019****(Expressed in United States dollars)****(Unaudited)**

			l)	-	100,000	
Capital reserves	1,783,295	-	d)	58,445	-	1,651,977
			g)	100,539	-	
			i)	-	10,245	
			j)	-	17,421	
Accumulated other comprehensive income	-	33,382	a)	33,382	-	-
Deficit	(3,283,828)	(76,940)	a)	418,194	183,198	(3,757,230)
			c)	10,000	-	
			e)	9,800	-	
			f)	59,000	-	
			i)	10,245		
			j)	17,421		
			l)	55,000		
Total shareholder's equity	2,032,317	106,258		921,842	1,077,535	2,294,268
Total liabilities and shareholders' equity	6,000,983	106,258		2,216,596	2,506,122	6,396,767

CBD GLOBAL SCIENCES INC.

Notes to the Pro Forma Consolidated Statement of Financial Position

February 28, 2019

(Expressed in United States dollars)

(Unaudited)

1. BASIS OF PRESENTATION AND PREPARATION

CBD Global Sciences Inc. ("CBD Global") was incorporated under the Business Corporations Act (Alberta) on August 30, 2018. The registered office of the Company is located at 1250-639 5th Avenue S.W., Calgary, Alberta, Canada T2P 0M9. The Company does not have any subsidiaries.

The Company was incorporated for the sole purpose of reviewing opportunities to enter into transactions (a "Transaction") with other entities that result in the post-transaction entity being a public issuer on a recognized Canadian stock exchange. The Issuer anticipates that its primary role in a Transaction will be to provide support to the post-transaction entity in meeting its minimum listing requirements for a Canadian stock exchange that the post-Transaction entity makes application to list its securities for trading.

The consolidated financial statements represent the accounts of Global NV Corp. and its wholly-owned subsidiaries. Global NV Corp. ("Global NV") was incorporated in the State of Nevada on April 23, 2018. The address of Global NV Corp.'s registered agent for service is CT Corporation, 1085 Pleasure Lane, Henderson, Nevada, 89002, United States. Global NV's Colorado operating address of 225 Union Blvd., #350, Lakewood, CO 80228 and registered agent for service is 2754 Rockbridge Dr., Highlands Ranch, CO 80129.

On December 10, 2018, Global NV Corp. shareholders agreed to exchange, and CBD Global agreed to acquire, all of the Global NV Shares registered in their respective names, in consideration of the issuance by CBD Global of an aggregate of 14,011,370 CBD Units consisting of 14,011,370 CBD Global Common Shares and 375,064 CBD Global Preferred Shares to the Global NV Shareholders. CBD Global Shareholders will hold 4,337,000 at the time of the share exchange and the total number of common shares outstanding will be 18,348,370. The merger is subject to shareholder approval.

The unaudited pro-forma consolidated statement of financial position as at February 28, 2019, gives effect to the Transaction as if it had occurred as at February 28, 2019, and has been prepared by management for inclusion in CBD Global's filing statement (the "Filing Statement") to be dated on or about dated May 29, 2019.

The unaudited pro forma consolidated statement of financial position has been prepared for illustrative purposes only and may not be indicative of the combined entities' financial position that would have occurred if the acquisition had been in effect at the date indicated. Actual amounts recorded upon consummation of the Agreement will likely differ from those recorded in the unaudited pro forma consolidated statement of financial position. The pro forma adjustments and allocations of the purchase price are based in part on estimates of the fair value of assets acquired and liabilities to be assumed. The final purchase price allocation will be completed after asset and liability valuations are finalized as of the date of the completion of the acquisition. The actual fair values of the assets and liabilities will be determined as of the effective date of the Transaction and may differ materially from the amounts disclosed in the assumed pro forma purchase price allocation because of changes in fair value of the assets and liabilities up to the date of effective date of the Transaction, and as further analysis is completed.

Consequently, the actual allocation of the purchase price may result in different adjustments than those in the unaudited pro forma consolidated statement of financial position. Similarly, the calculation and allocation of the purchase price has been prepared on a preliminary basis and is subject to change between the time such preliminary estimations were made and closing as a result of several factors.

The unaudited pro forma consolidated statement of financial position has been prepared in accordance with CBD Global's and Global NV's accounting policies, as disclosed in CBD Global's audited financial statements for the period ended February 28, 2019, and Global NV's audited financial statements for the period ended December 31, 2018. There are no material differences in accounting policies between CBD Global and NV Global.

CBD GLOBAL SCIENCES INC.**Notes to the Pro Forma Consolidated Statement of Financial Position****February 28, 2019****(Expressed in United States dollars)****(Unaudited)**

The unaudited pro forma consolidated statement of financial position has been compiled from:

Information derived from the i) Global NV's audit consolidated financial statements ended December 31, 2018; and ii) CBD Global's audited financial statements for the statements ended February 28, 2019. Both of which were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, and included elsewhere in the Filing Statement:

It is management of Global NV's opinion that the unaudited pro-forma consolidated statement of financial position includes all adjustments required for the fair presentation, in all material respects, of the transaction described in Note 3 in accordance with IFRS.

2. SUMMARY OF PROPOSED TRANSACTION

Pursuant to the Share Exchange Agreement, the parties thereto will affect a "three-cornered" amalgamation ("Amalgamation") whereby Global Sciences Corp. (a wholly-owned subsidiary of CBD Global Sciences Inc.) and Global NV Corp. will amalgamate with holders of Global NV each receiving one common share of CBD Global ("CBD Global Share"), for every common share in Global NV held (the "Transaction").

The total number of the Resulting Issuer Shares to be issued and outstanding immediately following the completion of the Transaction is expected to be approximately 18,348,370 common shares. Former Global NV shareholders are expected to hold 14,011,370 Resulting Issuer Common Shares and 375,062 Preferred Shares representing approximately seventy-six percent (76%) of such Resulting Issuer Shares and former CBD Global Shareholders are expected to hold 4,337,000 Resulting Issuer Shares representing approximately twenty-four percent (24%) of such Resulting Issuer Shares. The chart below sets forth the origin of the Resulting Issuer shareholdings:

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The pro forma consolidated statement of financial position was prepared based on the following assumptions and adjustments:

- a) As a result of the Transaction, the shareholders of Global NV will acquire control of CBD Global, thereby constituting a reverse acquisition of CBD Global. The Transaction is considered a purchase of CBD Global's net assets by the shareholders of Global NV.

The Transaction will be accounted for in accordance with guidance provided in IFRS 2, "Share-Based Payment" and IFRS 3, "Business Combinations". As CBD Global did not qualify as a business according to the definition in IFRS 3, this Transaction does not constitute a business combination; rather it is treated as an issuance of shares by Global NV for the net assets of CBD Global and CBD Global's listing status and Global NV as the continuing entity.

CBD GLOBAL SCIENCES INC.**Notes to the Pro Forma Consolidated Statement of Financial Position****February 28, 2019****(Expressed in United States dollars)****(Unaudited)**

The purchase price is allocated as follows:

Fair value of CBD Global shares (4,337,000 common shares at \$0.07 per share)	\$	318,194
Closing transaction costs		100,000
Total consideration	\$	418,194
Net Assets (Liabilities) of CBD Global:		
Cash	\$	107,956
Prepaid expenses		36,875
Total net assets	\$	144,831
Transaction cost	\$	273,363

The fair value of the 4,337,000 common shares was determined using a price of \$0.07 (CAD \$0.10) per share being the price of the most recent financing completed by CBD Global.

Closing transaction costs included in the total consideration include an estimated \$100,000 in professional fees.

- b) On January 1, 2019, the Company entered into a loan modification agreement by which the maturity date of a revolving promissory note was modified to be payable, both interest and principal, on the maturity date of December 31, 2024.
- c) On January 30, 2019, the Company issued 60,000 common shares pursuant to an agreement with a consultant to issue shares for services.
- d) During March 2019, convertible debentures of \$175,000 were converted to 175,000 common shares of the Company at \$1.00 per share.
- e) On March 7, 2019, the Company entered into a loan modification agreement by which the maturity date of a note payable of \$100,000 was extended to December 31, 2020.

On March 15, 2019, the Company entered into an agreement by which the maturity dates of notes payable of \$590,000 were extended to March 15, 2021. In connection with this agreement, the Company issued 4,000 common shares for consideration of the extension.

- f) On February 15, 2019, the Company entered into a debt settlement agreement to issue 100,000 common shares for the settlement of \$41,000 in an outstanding accounts payable balance.
- g) During April 2019, the Company issued 101,315 common shares pursuant to warrant exercises for proceeds of \$2,026.
- h) On May 8, 2019, the Company entered into a debt settlement agreement to issue 26,112 common shares for the settlement of \$26,112 in an outstanding accounts payable balance.

CBD GLOBAL SCIENCES INC.**Notes to the Pro Forma Consolidated Statement of Financial Position****February 28, 2019****(Expressed in United States dollars)****(Unaudited)**

- i) On May 13, 2019, an investor advanced \$262,500 to the Company in exchange for a promissory note. The note bears interest at a rate of 3% per annum, interest accrues monthly paid in weekly instalments, with remaining interest and principal due at maturity on May 31, 2020. The note is secured against the Company's biomass inventory and proceeds from the sale of biomass through a Biomass Processing Agreement. In connection with this agreement, the Company issued 20,000 warrants. The warrants are exercisable for one common share at an exercise price of \$1.25 on or before May 31, 2020.
- j) On May 14, 2019, the Company issued 40,000 warrants to a consultant for services provided to the Company. The warrants are exercisable for one common share at an exercise price of \$1.75 (CAD \$2.50) on or before May 31, 2020.
- k) On May 15, 2019, the Company issued 20,000 common shares for gross proceeds of \$25,000.
- l) On May 29, 2019, the Company entered into a debt settlement agreement to issue 100,000 common shares for the settlement of \$45,000 in an outstanding accounts payable balance.

4. PRO FORMA CAPITALIZATION

Origin of the Resulting Issuer Shareholding	Number of the Resulting Issuer Securities (undiluted)	Number of the Resulting Issuer Common Shares (fully diluted)
COMMON SHARES		
Current Global NV Shareholders	14,011,370	53,889,885
Current CBD Global Shareholders	4,337,000	4,337,000
Global NV Noteholders	-	17,125,000
Global NV Warrantholders	-	16,389,380
Stock Option Plan	-	-
Total	18,348,370	91,741,265
PREFERRED SHARES		
Current Global NV Shareholders	375,062	375,062
Current CBD Global Shareholders	-	-
Global NV Noteholders	-	-
Global NV Warrantholders	-	-
Stock Option Plan	-	-
Total	375,062	372,062

5. INCOME TAX

The effective consolidated pro forma tax rate is expected to approximate 28%.

CERTIFICATE OF THE CORPORATION

May 30, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of British Columbia, Alberta and Saskatchewan.

Signed “Kelly Balaberda”
Kelly Balaberda, *Chief Executive Officer*

Signed “Sandra Dosdall”
Sandra Dosdall, *Chief Financial Officer*

On behalf of the Board of Directors

Signed “Kelly Balaberda”
Kelly Balaberda, *Director*

Signed “Ariane Young”
Ariane Young, *Director*

CERTIFICATE OF THE PROMOTER

May 30, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of British Columbia, Alberta and Saskatchewan.

Signed “Brad Wyatt”
Brad Wyatt