

HIGHMARK MARKETING INC.

- and -

BLUE MOON ADVERTISING INC.

- and -

BCBUD PRODUCERS INC.

SHARE PURCHASE AGREEMENT

October 9, 2015

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SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of the 9th day of October 2015,

AMONG:

HIGHMARK MARKETING INC., a corporation incorporated under the laws of the Province of British Columbia

(the "**Vendor**")

- and -

BLUE MOON ADVERTISING INC., a corporation incorporated under the laws of the Province of British Columbia

(the "**Purchaser**")

- and -

BCBUD PRODUCERS INC., a corporation incorporated under the laws of the Province of British Columbia

("the **Company**")

RECITALS:

WHEREAS pursuant to a share exchange agreement (the "**Share Exchange Agreement**") dated August 5, 2014, as amended, between the Vendor, the Purchaser and the Company, the Purchaser sold 100 Class "A" common voting shares representing all of the issued and outstanding shares in the capital of the Company to the Vendor for consideration consisting of a series of issuances of common shares in the capital of the Vendor (the "**Highmark Consideration Shares**") to the Purchaser. The issuance of the Highmark Consideration Shares are contingent upon the Company achieving certain milestones in becoming a Licensed Producer (as such term is defined in the *Marihuana for Medical Purposes Regulations (SOR/2013-119)*(the "**MMPR**"));

AND WHEREAS the Share Exchange Agreement was amended on February 10, 2014 to reflect a 4 to 1 forward split of the Vendor's common shares prior to completing any issuances of Highmark Consideration Shares the Purchaser under the Share Exchange Agreement;

AND WHEREAS pursuant to the Share Exchange Agreement, the Purchaser received 1,000,000 common shares in the capital of the Vendor;

AND WHEREAS under the Share Exchange Agreement, the Company is entitled to receive an additional 1,000,000 Highmark Consideration Shares upon receiving a Ready to Build letter from Health Canada confirming that the Company has approval to build a facility pursuant to the MMPR and an additional 8,000,000 Highmark Consideration Shares upon receipt by the

Company of a license to produce marijuana pursuant to the MMPR (the "**Remaining Vendor Shares**");

AND WHEREAS the Purchaser wishes to purchase **90** Class "A" voting common shares in the capital of the Company (the "**Purchased Shares**") (representing 90% of the issued and outstanding capital of the Company) from the Vendor for the consideration of cancelling the Vendor's obligations to issue the Remaining Vendor Shares under the Share Exchange Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged and confirmed), the parties agree as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) "**affiliate**" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person. A Person shall be deemed to "**control**" another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term "**controlled**" shall have a similar meaning;
- (b) "**Agreement**" means this agreement and all Schedules and Appendices attached to this agreement, in each case as they may be amended or supplemented from time to time, and the expressions "**hereof**", "**herein**", "**hereto**", "**hereunder**", "**hereby**" and similar expressions refer to this agreement and unless otherwise indicated, references to Articles and Sections are to Articles and Sections in this Agreement;
- (c) "**Applicable Laws**" means, in respect of any Person, property, transaction, event or course of conduct, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority and includes the common law;
- (d) "**Approvals**" means approvals, certificates, authorizations, Consents, filings, permits, grants, licences, notifications, privileges, registrations, rights, orders, judgments, rulings, directives, ordinances, decrees, registrations and filings;
- (e) "**Business**" means the business of the Company, including but not limited to cultivation, production and sale of medical marihuana provided it obtains the status of Licensed Producer (as such term is defined in the in the *Marihuana for Medical Purposes Regulations* (SOR/2013-119));

- (f) "**Business Day**" means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario or British Columbia;
- (g) "**Claim**" means a claim for indemnification by the Purchaser Indemnified Parties or the Vendor Indemnified Parties pursuant to Section 6.1 or 6.2, respectively;
- (h) "**Closing**" means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement at the Closing Time;
- (i) "**Closing Date**" means October 15, 2015;
- (j) "**Closing Time**" means 11:59 p.m., EST time, on the Closing Date, or such other time on the Closing Date as may be agreed upon in writing between the Purchaser and the Vendor;
- (k) "**Consents**" means, collectively, all of the consents, permissions or Approvals of: (i) any Governmental Authority; (ii) any Person pursuant to or in connection with any Contract, required in connection with the transactions contemplated by this Agreement;
- (l) "**Contracts**" means any contract, agreement, commitment, lease or other binding instrument;
- (m) "**Encumbrance**" means any security interest, lien, charge, pledge, encumbrance, mortgage, hypothec, adverse claim, title retention agreement, right of way, easement, restriction, lease, sublease, agreement, option or encumbrance or title defect of any nature or kind whatsoever;
- (n) "**Governmental Authority**" means any: (i) federal, provincial, regional, municipal, local or other government, domestic or foreign; (ii) governmental or quasi-governmental authority of any nature (including any agency, branch, department, commission, board, court or tribunal); (iii) body exercising any administrative, executive, judicial, legislative, police, regulatory, expropriation or taxing authority, domestic or foreign; or (iv) self-regulatory organization or stock exchange having jurisdiction in the relevant circumstances;
- (o) "**Highmark Consideration Shares**" has the meaning attributed to such term in the recitals;
- (p) "**Interest**" means, in respect of each Shareholder, all of that Shareholder's Shares and Shareholder's Loans and any other right or claim that the Shareholder may have against the Company and the other Shareholders in that Shareholder's capacity as a member of the Company;
- (q) "**Issued Security Notice**" has the meaning given to that term in Section 4.2(b);
- (r) "**Issued Securities**" has the meaning attributed to it in Section 4.2(a);
- (s) "**Loss**" means any loss, injury, liability, damage, cost, expense (including legal expenses) or deficiency of any kind or nature, whether direct, indirect or consequential, suffered or incurred by a party indemnified pursuant to the terms of this Agreement, in connection with any Claim made by it hereunder, including in respect of any proceeding, assessment, judgment, settlement or compromise relating thereto;

- (t) "**Material Adverse Change**" or "**Material Adverse Effect**" means any change, effect, event, occurrence, circumstance or state of facts that, individually or in the aggregate, is, or could reasonably be expected to be, material and adverse to the Business, operations or financial condition, property, assets, or liabilities (contingent or otherwise) of the Company or that would prevent or significantly impede the sale of the Purchased Shares or the completion of the other transactions contemplated by this Agreement and the Transaction Documents;
- (u) "**MMPR**" has the meaning attributed to it in the recitals;
- (v) "**Mutual Release Agreement**" has the meaning attributed to it in Section 2.2;
- (w) "**Person**" means any individual, sole proprietorship, partnership, limited partnership, limited corporation, joint venture, syndicate, body corporate with or without share capital, unincorporated association, trust or Governmental Authority and, where the context requires, any of the foregoing when acting as trustee, executor, administrator or other legal representative;
- (x) "**Pre-Emptive Rights**" has the meaning given to that term in Section 4.2(a);
- (y) "**proceedings**" has the meaning attributed to such term in Section 3.1(n);
- (z) "**Purchase Price**" has the meaning attributed to such term in Section 2.2;
- (aa) "**Purchased Shares**" has the meaning attributed to such term in the recitals;
- (bb) "**Purchaser Indemnified Party**" and "**Purchaser Indemnified Parties**" have the meanings attributed to such terms in Section 6.1;
- (cc) "**Purchaser's Counsel**" means the firm of Bennett Jones LLP, or such other legal counsel as the Purchaser may appoint with respect to this Agreement and the matters contemplated hereby;
- (dd) "**Remaining Vendor Shares**" has the meaning attributed to such term in the recitals;
- (ee) "**Securities**" means any Shares and any rights, options, warrants or any other securities, including, without limitation, any debentures, notes or any other instruments or agreements evidencing the indebtedness of the Company, which may be converted or exchanged into any Shares or which carry a right to acquire any Shares;
- (ff) "**Shares**" means, in respect of each Shareholder, all of the shares in the capital of the Company directly or indirectly owned by that Shareholder or in respect of which that Shareholder has any right to purchase (except under this Agreement);
- (gg) "**Shareholder**" means in respect of the Company, any one of the Vendor and the Purchaser, and "**Shareholders**" means both of them;
- (hh) "**Shareholder's or Shareholders' Loans**" means, in respect of each Shareholder, the aggregate amount of money advanced from time to time as a loan by that Shareholder to the Company and not repaid, together with accrued and unpaid interest, if any;

- (ii) "**Transaction Documents**" means, collectively, the documents listed in Section 5.1(a)(iii); and
- (jj) "**Vendor Indemnified Party**" and "**Vendor Indemnified Parties**" have the meanings attributed to such terms in Section 6.2.

1.2 Interpretation

In this Agreement:

- (a) Headings and Table of Contents. The inclusion of headings and a table of contents is for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Gender and Number. Except where the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (c) Including. Where the word "including" or "includes" is used, it means including or includes "without limitation".
- (d) Material. Where the term "material" or "materially" is used, it shall be construed, measured or assessed on the basis of whether the matter would materially affect a party and its subsidiaries, taken as a whole, or would prevent or significantly impede the purchase or sale of the Purchased Shares or the completion of the other transactions contemplated by this Agreement and the Transaction Documents.
- (e) No Strict Construction. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party proposing any such language.
- (f) Statutory References. A reference to a statute includes all rules and regulations made pursuant to such statute and, unless expressly provided otherwise, the provisions of any statute, rule or regulation which amends, supplements or supersedes any such statute, rule or regulation.
- (g) Currency. Except where expressly provided otherwise herein, all amounts are stated and shall be paid in Canadian dollars.
- (h) Time Periods. Except where expressly provided otherwise herein, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the following Business Day if the last day of the period is not a Business Day.

1.3 Entire Agreement

This Agreement and the Transaction Documents constitute the entire agreement between the parties pertaining to the transactions contemplated by this Agreement and the Transaction Documents. There are no representations, warranties, covenants, agreements, conditions, indemnities or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the transactions contemplated by this Agreement and the Transaction Documents, except as expressly contained in this Agreement and the Transaction Documents and this Agreement and the Transaction

Documents supersede any and all prior and/or contemporaneous agreements and understandings, both written and oral, among the parties with respect to such subject matter.

1.4 Severability

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. The parties shall engage in good faith negotiations to replace any provision which is declared invalid or unenforceable with a valid and enforceable provision, the economic effect of which comes as near as possible to that of the invalid or unenforceable provisions that it replaces, including the non-binding letter of intent between the Vendor and the Company dated August 31, 2015.

1.5 Amendments, Waivers, Investigations

Except as expressly provided otherwise herein, no amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless expressly provided otherwise herein. No investigation or waiver made by or on behalf of any party shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by any other party pursuant to this Agreement or any Transaction Document.

1.6 Governing Law

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The parties hereby attorn to the non-exclusive jurisdiction of the courts of the Province of British Columbia.

ARTICLE 2

PURCHASE AND SALE OF ASSETS

2.1 Agreement to Purchase and Sell

Subject to the terms and conditions of this Agreement, the Purchaser shall purchase and the Vendor shall sell on the Closing Date, the Purchased Shares, representing 90% of the issued and outstanding shares in the capital of the Company, free and clear of all Encumbrances.

2.2 Purchase Price

As consideration for the Purchased Shares, the Purchaser hereby waives its right to be issued the Remaining Vendor Shares and unconditionally releases the Vendor from its obligations under the Share Exchange Agreement (the "**Purchase Price**"). The Purchase Price shall be evidenced and delivered through the execution of a mutual release agreement between the Vendor, the Company and the Purchaser (the "**Mutual Release Agreement**"), in a form substantially similar to the agreement attached

as Schedule 2.2, dated as of the Closing Date which shall terminate all rights and obligations under the Share Exchange Agreement and any amendments thereto.

2.3 Location and Time of the Closing

The Closing shall take place electronically at the Closing Time.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 By the Vendor

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying upon the following representations and warranties in connection with its purchase of the Purchased Shares:

- (a) Incorporation. The Vendor is incorporated and validly existing and in good standing under the laws of its jurisdiction of incorporation.
- (b) Power and Authorization. The Vendor has the corporate power, authority and capacity to execute and deliver this Agreement and the Transaction Documents required hereby and to perform its obligations under this Agreement and each of the Transaction Documents to which it is a party.
- (c) Contracts. The Vendor has not entered into any Contracts for or on behalf of the Company.
- (d) Shareholder Action and Corporate Governance. (i) the Vendor has not taken any shareholder action whatsoever with respect to the Purchased Shares; (ii) the Vendor has not taken any steps, or caused the Company to take any steps, to (A) amend the Company's articles, notice of articles or any other constating documents; (B) issue any shares or other securities of the Company; (C) initiate the dissolution, liquidation or winding up of the Company; or (D) filed any articles of amendment, articles of amalgamation or articles of continuance.
- (e) Capitalization. There are currently 100 Class "A" common voting shares outstanding in the capital of the Company and there are no options, warrants, purchase rights, subscription rights, conversion privileges, exchange rights, pre-emptive rights or other rights, agreements or commitments of a similar nature to which the Company is bound relating to the outstanding or unissued share capital of the Company or obligating the Company to issue any shares of, or other equity interest in, the Company or securities or obligations of any kind convertible into or exchangeable for any shares of the Company.
- (f) Enforceability. This Agreement is a legal, valid and binding obligation of the Vendor and the Company, enforceable against each in accordance with its terms, subject to Applicable Laws affecting generally the enforcement of creditors' rights and remedies and to general principles of equity. At the Closing Time, each of the Transaction Documents to which each of the Vendor and the Company is a party shall be a legal, valid and binding obligation of the Vendor and Company enforceable against it in accordance with its terms, subject to Applicable Laws.

- (g) Non-Contravention. The execution, delivery and performance of this Agreement and the performance of the obligations under this Agreement by the Vendor and the Company, and the completion by the Vendor and the Company of the transactions contemplated by this Agreement, do not and will not:
- (i) contravene any provision of their respective constating documents;
 - (ii) result in the imposition of, give rise to or trigger any claim upon any of the assets or securities of the Vendor or the Company, or restrict, hinder, impair or limit the ability of the Vendor to carry on business or the Company to carry on the Business;
 - (iii) create any Encumbrance upon any of the Purchased Shares; or
 - (iv) contravene any Applicable Laws.
- (h) Right to Sell Purchased Shares. The Vendor is the sole registered legal holder and beneficial owner of the Purchased Shares with good and marketable title thereto, free of all Encumbrances. No third party has any right or option in respect of the Purchased Shares that could affect the ability of the Vendor to transfer good and marketable title to the Purchased Shares to the Purchaser free and clear of all Encumbrances. Neither the Company nor the Vendor is a party to any shareholder agreement, voting trust agreement or any other agreement which in any way limits or restricts the transfer to the Purchaser of any of the Purchased Shares.
- (i) Vendor Resident of Canada. The Vendor is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).
- (j) Consents and Approvals. Except for any necessary approvals by the Canadian Securities Exchange and governing securities commissions, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or other Person is required by the Vendor or the Company in connection with the execution, delivery or performance of this Agreement and the Transaction Documents or the completion of the transactions contemplated by this Agreement and the Transaction Documents.
- (k) No Default. The Company is not in violation or breach of, or default under, and there exists no event, condition or occurrence which, with notice or passage of time or both, would constitute a default under, or give rise to any termination rights under, any provision of any Contract, licence, concession, franchise, permit or grant with respect to the Business to which the Company is a party or by which it is bound or is subject or of which it is a beneficiary.
- (l) Compliance with Laws. The Vendor is and has been at all times in compliance with all Applicable Laws with respect to the ownership of the Purchased Shares.
- (m) Regulatory Communication. Neither the Vendor nor the Company have communicated with Health Canada or any other Governmental Authority except in the manner and detail disclosed in Schedule 3.1(m). The Company and the Vendor have taken no action whatsoever, and have not caused any Person to take any action whatsoever, with respect to the Company's application to become a Licensed Producer (as such term is defined in the *Marihuana for Medical Purposes Regulations* (SOR/2013-119)) or any other matter.

- (n) Litigation and Other Proceedings. There is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal); arbitration or other dispute settlement procedure; investigation or inquiry by any Governmental Authority; action; investigation; or any similar matter or proceeding (collectively "**proceedings**") against or involving the Company (whether in progress or threatened) and no proceedings have ever been commenced against the Company. No event has occurred which might give rise to any proceedings and there is no judgment, decree, injunction, rule, award or order of any Governmental Authority to which the Company is subject.
- (o) Facts Disclosed.
- (i) No representation or warranty by Vendor in this Agreement, the Transaction Documents, nor any Schedule or Appendix attached hereto contains or will contain any untrue statement of a fact or omits or will omit to state a fact required to be stated in this Agreement or the Transaction Documents or necessary to make the statements contained in this Agreement or the Transaction Documents not false or misleading.
 - (ii) There is no fact or circumstance relating specifically to the Business that could reasonably be expected to result in a Material Adverse Effect and that is not disclosed in the Transaction Documents.
 - (iii) The Vendor has made available to the Purchaser or the Purchaser's Counsel all information reasonably available to the Vendor that the Purchaser or the Purchaser's Counsel have requested for deciding whether to acquire the Purchased Shares. The Vendor has provided to the Purchaser or the Purchaser's Counsel all material information relating to the financial condition, business and prospects of the Company that could reasonably be expected to be material to the Purchaser in making a decision to purchase the Purchase Shares on the terms contemplated by this Agreement.

3.2 By the Purchaser

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying upon the following representations and warranties in connection with its sale of the Purchased Shares:

- (a) Incorporation of the Purchaser. The Purchaser is incorporated and validly existing under the laws of the Province of British Columbia.
- (b) Corporate Power and Authorization of the Purchaser. The Purchaser has the corporate power, authority and capacity to execute and deliver this Agreement and the Transaction Documents required hereby and to perform its obligations under this Agreement and each of the Transaction Documents to which it is a party.
- (c) Enforceability against the Purchaser. This Agreement is a legal, valid and binding obligation of the Purchaser enforceable against it, in accordance with its terms, subject to the usual exceptions as to creditors' rights and the availability of equitable remedies. At the Closing Time each of the Transaction Documents to which the Purchaser is a party will be a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its

terms, subject to the usual exceptions as to creditors' rights and the availability of equitable remedies.

- (d) Non-Contravention by the Purchaser. None of the execution, delivery or performance of this Agreement or the Transaction Documents by the Purchaser will contravene any provision of its constituting documents nor will contravene any Applicable Law that would prevent or significantly impede the purchase of the Purchased Shares by the Purchaser or the completion of the other transactions contemplated by this Agreement and the Transaction Documents.
- (e) Consents and Approvals. No authorization, consent or approval of, or filing with or notice to, any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement or the Transaction Documents by the Purchaser.
- (f) Purchaser Resident of Canada. The Purchaser is not a non-resident of Canada for purposes of this Agreement.

3.3 By the Company

The Company represents and warrants to the Vendor and Purchaser as follows and acknowledges that the Vendor is relying upon the following representations and warranties in connection with its sale of the Purchased Shares:

- (a) Best Efforts. Since the closing of the Share Exchange Agreement the Company has used its best efforts and acted in good faith to advance its application to become a Licensed Producer (as such term is defined in the *Marihuana for Medical Purposes Regulations* (SOR/2013-119)).

3.4 Survival of Representations, Warranties and Covenants

To the extent that they have not been fully performed at or prior to the Closing Time, the representations and warranties, covenants and agreements contained in this Agreement and in all certificates and documents delivered pursuant to or contemplated by this Agreement shall survive the Closing, and the representations and warranties contained in Section 3.1, other than those contained in Sections 3.1(a), 3.1(b), 3.1(c), 3.1(f), 3.1(g), 3.1(h), 3.1(i), 3.1(h) and 3.1(m), shall terminate at the expiration of 24 months following the Closing;

The period of time a representation, warranty, covenant or agreement survives the Closing pursuant to this Section 3.3 shall be the "**Survival Period**" with respect to such representation, warranty, claim or agreement. So long as a Purchaser Indemnified Party or a Vendor Indemnified Party, as applicable, gives notice of indemnification Claim on or before the expiration of the applicable Survival Period, a Purchaser Indemnified Party shall be entitled to pursue its rights to indemnification under Section 6.1 and a Vendor Indemnified Party shall be entitled to pursue its rights to indemnification under Section 6.2 hereof. In the event notice of any Claim for indemnification under Sections 6.1 or 6.2 hereof shall have been given within the applicable Survival Period and such Claim has not been finally resolved by the expiration of such Survival Period, the representations, warranties, covenants or agreements that are the subject of such Claim shall survive the end of the Survival Period of such representations, warranties, covenants and agreements until such Claim is finally resolved, but such representations, warranties, covenants and agreements shall only survive with respect to such asserted Claim. The waiver of any condition based on the accuracy of any representation or warranty, or on the performance of or compliance with any covenant or obligation, will not adversely affect the right to indemnification,

payment of Losses or other remedy based on such representations, warranties, covenants or obligations.

ARTICLE 4

COVENANTS

4.1 Mutual Release Agreement

The parties hereby covenant and agree to enter into the Mutual Release Agreement on the Closing Date.

4.2 Pre-Emptive Rights

- (a) If, at any time, the Company proposes to issue any Securities (the “**Issued Securities**”), the Company shall first offer Highmark the opportunity to purchase the Issued Securities on a pro rata basis of Highmark’s shareholdings in the Company, for the same price per Issued Security and on the same terms and conditions as the proposed issuance of Issued Securities, to enable Highmark to maintain its Interest in the Company (the “**Pre-Emptive Rights**”).
- (b) The Company shall deliver to Highmark a notice in writing specifying the price at which, and the terms upon which the Issued Securities are being offered (the “**Issued Security Notice**”), and Highmark shall have the right, exercisable within 10 days from the date of receipt of the Issued Security Notice, to notify the Company in writing that it is electing to purchase the Issued Securities.
- (c) If Highmark does not notify the Company in writing within the period of 10 days provided in Section 4.2(b) of the election by Highmark to purchase the Issued Securities, Highmark shall be deemed to have elected not to purchase the Issued Securities from the Company.
- (d) If Highmark accepts the offer stated in the Issued Security Notice, Highmark shall subscribe for the Issued Securities in accordance with the Issued Security Notice and shall execute a written subscription agreement in accordance therewith which shall be accepted forthwith by the Company.
- (e) Any Issued Securities which are not subscribed for by Highmark pursuant to this Section 4.2 may be offered by the Company to a third party at the same price and on the same terms and conditions as the Issued Security Notice

ARTICLE 5

CLOSING DELIVERABLES

5.1 Deliverables for the Benefit of the Purchaser and Vendor

- (a) The obligation of the Purchaser to complete the purchase of the Purchased Shares is subject to satisfaction, at or prior to the Closing Time, of each of the following deliverables:
 - (i) Consents and Approvals. On or prior to the Closing Time, the Vendor shall deliver to the Purchaser all necessary Consents or Approvals: (i) to enable the Purchased Shares to be

sold to the Purchaser; or (ii) required or desirable (in the reasonable opinion of the Purchaser) to ensure that the rights and entitlements of the Company pursuant to any Contract or Applicable Law are maintained, preserved or confirmed following the consummation of the transactions contemplated by this Agreement.

- (ii) Delivery of Share Certificates. The Vendor shall have delivered to the Purchaser the share certificates representing the Purchased Shares duly endorsed in blank for transfer or accompanied by duly signed share transfers.
 - (iii) Delivery of Transaction Documents. On or prior to the Closing Time, the following documents (the "**Transaction Documents**") shall have been delivered to the Purchaser, in form and substance satisfactory to the Purchaser and the Purchaser's Counsel:
 - (A) the Mutual Release Agreement;
 - (B) a certificate of status for the Company issued as of a recent date by the applicable Governmental Authority;
 - (C) all documents relating to the due authorization and completion of the transactions contemplated by this Agreement and the Transaction Documents by the Vendor, each in form and substance satisfactory to the Purchaser and the Purchaser's Counsel;
 - (D) all such other assurances, Consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions contemplated by this Agreement and the Transaction Documents.
 - (iv) Encumbrances. The Purchased Shares shall be free of any and all Encumbrances.
 - (v) Third Party Release. The Vendor shall have received a release of liability from Alpi Construction Inc. for any Claims by Alpi Construction Inc. or its affiliates against Highmark with respect to Highmark's involvement with the business of BCBud, in the form attached hereto as Schedule 5.1(a)(v).
 - (vi) Related Party Agreements. Other than the agreements contemplated in Section 5.1(a)(iv) hereof, there shall be no Contract, loan, right, or other arrangement between any Vendor and the Company as it relates to the Business of the Company.
- (b) Delivery of Books and Records. Within 10 days after the Closing Date, the Vendor shall have delivered to the Purchaser all books, records, and other documents, files and data relating to the Business, all of which shall become the property of the Purchaser.

The deliveries contained in this Section 5.1 are for the exclusive benefit of the Purchaser and may be waived in whole or in part by the Purchaser in writing at any time.

ARTICLE 6

INDEMNIFICATION

6.1 Indemnification by the Vendor

The Vendor agrees to indemnify and hold the Purchaser, its affiliates and its affiliates, directors, managers, officers, employees, agents and representatives (each, a "**Purchaser Indemnified Party**" and collectively, the "**Purchaser Indemnified Parties**") harmless from and after the Closing Date against and in respect of any Losses resulting from:

- (a) any Loss of any Purchaser Indemnified Party or the Business as a result of any breach of representation or warranty by the Vendor contained in this Agreement or the Transaction Documents or in any certificate or document delivered pursuant to or contemplated by this Agreement or any Transaction Document;
- (b) any Loss of any Purchaser Indemnified Party or the Business as a result of any breach or any non-fulfilment of any covenant or agreement on the part of the Vendor contained in this Agreement or the Transaction Documents or in any certificate or document delivered pursuant to or contemplated by this Agreement or any Transaction Document;
- (c) all Claims, demands, costs and expenses, including reasonable legal expenses, in respect of the foregoing.

6.2 Indemnification by the Purchaser and the Company

The Purchaser and the Company, jointly and severally, agree to indemnify and hold the Vendor and its affiliates, directors, managers, officers, employees, agents and representatives (each, a "**Vendor Indemnified Party**" and collectively, the "**Vendor Indemnified Parties**") harmless from and after the Closing Date against and in respect of any Losses resulting from:

- (a) any Loss of any Vendor Indemnified Party as a result of any breach of representation or warranty by the Purchaser contained in this Agreement or the Transaction Documents or in any certificate or document delivered pursuant to or contemplated by this Agreement or any Transaction Document;
- (b) any Loss of any Vendor Indemnified Party as a result of any breach or any non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement or the Transaction Documents or in any certificate or document delivered pursuant to or contemplated by this Agreement or any Transaction Document;
- (c) any current, past, or future liabilities concerning the business of the Company; and
- (d) all Claims, demands, costs and expenses, including reasonable legal expenses, in respect of the foregoing.

ARTICLE 7

GENERAL MATTERS

7.1 Public Statements

None of the Vendor, or any of its affiliates shall, without the prior written consent of Purchaser, issue any press release or make any other public announcement concerning the existence or terms of this Agreement except as and to the extent that public disclosure of a matter without consent by such party is required by Applicable Law, in which case the Purchaser, shall be so advised and the parties shall use commercially reasonable efforts to cause a mutually agreeable release or announcement to be issued prior to such disclosure.

7.2 Confidentiality

The parties to this Agreement shall treat the terms of this Agreement and all information provided under or in connection with this Agreement (collectively, "**Confidential Information**") as confidential and may not either disclose Confidential Information or use it other than for bona fide purposes connected with this Agreement, the Business or any other agreements or instruments in any way related to this Agreement without the prior written consent of the other parties to this Agreement, provided that in the case of disclosure by the Purchaser, it shall only need to seek the consent of the Vendor in respect of such disclosure, and consent is not required for disclosure to:

- (a) an affiliate of a party to this Agreement, directors, officers, Shareholders or employees of a party to this Agreement or an affiliate to a party to this Agreement, as long as they in turn are required to treat the Confidential Information as confidential on terms substantially the same as those set out in this Section 7.2;
- (b) accountants, professional advisers and bankers and other lenders, whether current or prospective, as long as they are subject to statutory professional secrecy rules or similar legal concepts under Applicable Laws or, in turn, are required to treat the Confidential Information as confidential on terms substantially the same as those set out in this Section 7.2;
- (c) any government, agency or regulatory authority having jurisdiction over a party to this Agreement, to the extent legally required, and then only after, to the extent permitted by law, informing the other parties thereof and, to the extent possible, with sufficient notice in advance to permit the other parties to seek a protective order or other remedy;
- (d) any Person to the extent required by any Applicable Laws, judicial process or the rules and regulations of any recognized stock exchange and then only subject to prior consultation with the other parties;
- (e) in the case of Purchaser, any intended assignee of the rights and interests of a party under this Agreement or to a Person intending to acquire an interest in a party to this Agreement (or acquiring Purchaser or an affiliate of Purchaser) as long as the intended assignee or acquirer in turn is required by that party to treat the Confidential Information as confidential in favour of the other parties on terms substantially restrictive as those set out in this Section 7.2; or

- (f) the extent that the Confidential Information is in or lawfully comes into the public domain other than by breach of this Section 7.2.

7.3 Remedies

The parties acknowledge and agree that an award of money damages might be inadequate for any breach of Section 7.2 or any breach of the covenants of this Agreement by any party or its representatives, advisors or agents and that such breach would cause the non-breaching party irreparable harm. Accordingly, the parties agree that, in the event of any such breach or threatened breach of this Agreement by one of the parties, the Vendor (if the Purchaser is the breaching party) or the Purchaser (if the Vendor is the breaching party) will be entitled, without the requirement of posting a bond or other security, to seek equitable relief, including injunctive relief and specific performance. Subject to any other provision hereof, such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at law or in equity to each of the parties.

7.4 Expenses

Each party shall be responsible for the expenses (including fees and disbursements of its advisors and agents) incurred by it in connection with the negotiation and settlement of this Agreement and the completion of the transactions contemplated by this Agreement and the Transaction Documents.

7.5 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a party shall be in writing and may be given by sending same by email or by delivery by hand addressed to the party to which the notice is to be given at the applicable address noted below. Any such notice, Consent, waiver, direction or other communication, if sent by email, shall be deemed to have been given and received at the time of receipt (if a Business Day or, if not, the next succeeding Business Day) unless actually received after 4:00 p.m. (local time) at the point of delivery in which case it shall be deemed to have been received on the next succeeding Business Day; or, if delivered by hand, shall be deemed to have been received on the day on which it is delivered (if a Business Day, if not, the next succeeding Business Day). Notice of change of address shall also be governed by this Section 7.5. In the event of general discontinuance of postal service due to strike, lock-out or otherwise, notices, Consents, waivers, directions or other communications shall be given by email or by delivery by hand and shall be deemed to have been received in accordance with this Section 7.5.

The address for each of the parties shall be as follows:

if to the Vendor:

Highmark Marketing Inc.
1199 West Hastings Street, Suite 800
Vancouver, British Columbia V6E 3T5

Attention: Mr. Marc Branson
Email: mbranson@highmarkcorp.ca

if to the Purchaser:

Blue Moon Advertising Inc.
7164 120 Street
Surrey, British Columbia V3W 3M8

Attention: Mr. Bill Marshall
Email: bcbudproducersinc@gmail.com

7.6 Time of Essence

Time is of the essence of this Agreement.

7.7 Counterparts

This Agreement may be executed by the parties in counterparts and may be delivered by email in Portable Document Format (.PDF) or other means of electronic communication and all such counterparts, taken together, shall constitute one and the same agreement.

7.8 Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns, provided that the Purchaser may assign its rights hereunder to any one or more affiliates with the prior written consent of any other party, provided that such assignment shall not release the Purchaser of its obligations hereunder.

7.9 Assignment

No party may assign any of its rights or obligations under this Agreement except with the other party's prior written consent.

7.10 Further Assurances

At any time and from time to time following the Closing Date, at the request of any party and without further consideration, each party shall execute and deliver, or cause to be executed and delivered, such other documents and instruments and shall take, or cause to be taken, such further or other actions as the other party may reasonably request or as otherwise may be reasonably necessary to evidence and make effective the transactions contemplated by this Agreement.

7.11 No Third Party Beneficiaries

Other than with respect to the Purchaser Indemnified Parties and the Vendor Indemnified Parties, this Agreement is not intended, and shall not be deemed, to confer any rights or remedies upon any person other than the parties hereto and their respective successors and permitted assigns, to create any agreement of employment with any person or to otherwise create any third-party beneficiary hereto. No provision of this Agreement shall create any third-party beneficiary rights in any employee, any beneficiary or dependent thereof, or any collective bargaining representative thereof, with respect to the compensation, terms and conditions of employment and/or benefits that may be provided to any employee by the Purchaser or any of its subsidiaries under any benefit plan which they may maintain.

7.12 Independent Legal Advice.

Each of the parties acknowledges that they: (a) have been advised by the other parties to seek independent legal advice; (b) have sought such independent legal advice or deliberately decided not to do so; (c) understand their rights and obligations under this Agreement; and (d) are executing this Agreement voluntarily.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

HIGHMARK MARKETING INC.

By: "Marc Branson"
Name: Marc Branson
Title: Director and CEO

BLUE MOON ADVERTISING INC.

By: "William Marshall"
Name: William Marshall
Title: Director

BCBUD PRODUCERS INC.

By: "William Marshall"
Name: William Marshall
Title: Director

SCHEDULE "2.2"
MUTUAL RELEASE AGREEMENT

HIGHMARK MARKETING INC.

- and -

BLUE MOON ADVERTISING INC.

- and -

BCBUD PRODUCERS INC.

MUTUAL RELEASE AGREEMENT

October __, 2015

TERMINATION AGREEMENT

THIS AGREEMENT made with effect as of the ____ day of October, 2015, (the "**Effective Date**")

B E T W E E N:

HIGHMARK MARKETING INC., a corporation incorporated under the laws of the Province of British Columbia

(the "**Vendor**")

- and -

BLUE MOON ADVERTISING INC., a corporation incorporated under the laws of the Province of British Columbia

(the "**Purchaser**")

- and -

BCBUD PRODUCERS INC., a corporation incorporated under the laws of the Province of British Columbia

("the **Company**")

WHEREAS the Vendor, the Purchaser and the Company (collectively are the "**parties**" and individually a "**party**") entered into a Share Exchange Agreement dated August 5, 2014 (the "**Share Exchange Agreement**") as amended from time to time, a copy of which is attached hereto as Schedule "A".

AND WHEREAS each of parties wish to release each other from any outstanding obligations under the Share Exchange Agreement as of the Effective Date in accordance with the terms of this Agreement.

NOW THEREFORE this Agreement witnesseth that in consideration of the respective covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

ARTICLE I
INTERPRETATION

1.1 Interpretation and Headings

In this Agreement:

- (a) The words "hereto", "herein", "hereof", "hereby", "hereunder", "this Agreement" and similar expressions refer to the whole of this Agreement and not to any particular Section or other portion thereof or hereof and extend to and include any and every document supplemental or ancillary hereto or in implementation hereof.
- (b) Words in the singular include the plural and words in the plural include the singular. Words importing the masculine gender include the feminine and neuter genders where the context so requires. Words importing the neuter gender include the masculine and feminine genders where the context so requires. Other grammatical forms of defined words or expressions have corresponding meanings
- (c) Any reference to "including" shall mean "including without limitation" whether or not expressly provided.
- (d) The headings do not form part of this Agreement and have been inserted for convenience of reference only.
- (e) A reference to a party to this Agreement includes that party's successors and permitted assigns.
- (f) A reference to "this Agreement" includes all schedules attached hereto as amended, supplemented, restated, amended and restated or replaced from time to time.
- (g) A reference to a document or agreement includes that document or agreement as amended, supplemented, restated, amended and restated or replaced from time to time.
- (h) A reference to any thing includes the whole or any part of that thing and a reference to a group of things or persons includes each thing or person in that group.
- (i) Words implying natural persons include partnerships, bodies corporate, associations, trusts, governments and governmental and local authorities and agencies.
- (j) A reference to any legislation or statutory instrument or regulation includes all amendments thereto and all replacements and re-enactments thereof.
- (k) Unless otherwise indicated herein, all capitalized terms used herein and not otherwise defined shall have the meaning attributed to them in the Share Exchange Agreement.

ARTICLE II
TERMS OF RELEASE

2.1 Mutual Release

With respect to each party, the party on its own behalf and on behalf of its affiliates, shareholders, directors, officers, principals, employees, agents, successors and assigns (collectively, with respect to a party a "**Releasor Group**") agree as follows:

- (a) for the purposes of this Agreement a "**Claim**" shall mean, collectively, any and all manner of actions, causes of action, judgments, agreements (whether express or implied or under any legislation), debts, duties, covenants, trespasses, accounts, costs, interest, indemnities, damages, liabilities, obligations, losses, claims or demands of any kind whatsoever, at law or in equity, absolute or contingent, matured or not, that any member of a Releasor Group, had, now has or can, shall or may hereafter have against any other party or any of such party's affiliates, shareholders, directors, officers, principals, employees, agents, successors and assigns (collectively, with respect to a party a "**Releasee Group**");
- (b) each Releasor Group hereby remises, releases and forever discharges each Releasee Group from any and all Claims;
- (c) each Releasee Group hereby remises, releases and forever discharges each Releasor Group from any and all Claims;
- (d) the mutual release contained herein shall become effective immediately upon the Effective Date and, without limiting the generality of the foregoing, shall operate to release any and all Claims arising or accrued prior to the date hereof or in existence as at the date hereof; and
- (e) subject to the terms of this Agreement, no Releasor Group shall initiate or continue any Claims in respect of the Share Exchange Agreement or the mutual releases hereof (expressly including any cross-claim, third party action or application) against any other person, corporation or partnership that may have a right to claim contribution, indemnity or other relief against any Releasee Group.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

Each of the parties hereto hereby represents and warrants to each of the other parties hereto as of the date hereof as follows:

- (a) **Status.** It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and is in good standing under such laws.

- (b) **Powers.** It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver, and to perform its obligations under this Agreement and any other documentation relating to this Agreement to which it is a party and has taken all necessary action to authorize such execution, delivery and performance.
- (c) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other governmental authority applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets.
- (d) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with.
- (e) **Obligations Binding.** Its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

ARTICLE IV **MISCELLANEOUS**

4.1 Governing Law

This Agreement and any disputes or claims arising out of or in connection with it shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

4.2 Counterparts

This Agreement may be executed by the parties in counterparts and may be delivered by email in Portable Document Format (.PDF) or other means of electronic communication and all such counterparts, taken together, shall constitute one and the same agreement.

4.3 Enurement

This Agreement and everything herein contained shall enure to the benefit of, and be binding upon, the parties and their respective successors and permitted assigns.

4.4 Further Assurances

Each of the parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purposes of giving effect to this Agreement and shall use

commercially reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.

HIGHMARK MARKETING INC.

By: _____
Name:
Title:

BLUE MOON ADVERTISING INC.

By: _____
Name:
Title:

BCBUD PRODUCERS INC.

By: _____
Name:
Title:

SCHEDULE "A"

(See Attached)

SHARE EXCHANGE AGREEMENT

THIS AGREEMENT is made and dated for reference effective as at _____, 2014 (the "**Effective Date**").

AMONG EACH OF:

HIGHMARK MARKETING INC., a company incorporated under the laws of British Columbia, and having a business address located at Suite 800, 1199 West Hastings Street, Vancouver, British Columbia, Canada V6E 3T5

(the "**Purchaser**")

AND

BCBUD PRODUCERS INC., a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "**Company**");

AND

BLUE MOON ADVERTISING INC., a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "**Vendor**");

WHEREAS:

- A. The Purchaser is a reporting company engaged in the marketing and development of nutraceutical and marijuana based products (the "**Purchaser's Business**") and has its common shares listed for trading on the CSE ;
- B. The Company is a private company and is applying for a production license under the MMPR (the "**Company's Business**");
- C. The Vendor is the legal and beneficial owner of all of the presently issued and outstanding common shares in the capital of the Company; the particulars of the registered and beneficial ownership of such common shares being set forth in Schedule "A" which is attached hereto and which forms a material part hereof;
- D. As a consequence of recent discussions and negotiations as between the Parties, the Vendor has agreed to sell, and the Purchaser has agreed to acquire, subject to the prior satisfaction of certain conditions precedent to the satisfaction of the Purchaser, all of the issued

and outstanding common shares in the capital of the Company (collectively, the **“Purchased Shares”** and each a **“Purchased Share”**); and

E. The Parties have agreed to enter into this Share Exchange Agreement (the **“Agreement”**) which formalizes and replaces, in their entirety, all such recent discussions and negotiations and which clarifies each of the Parties’ respective duties and obligations in connection with the proposed purchase by the Purchaser from the Vendor of all of the Purchased Shares together with the further development of the Company’s Business as a consequence thereof.

NOW THEREFORE the Parties agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions.

For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following words and phrases shall have the following meanings:

- (a) **“Acquisition Proposal”** has the meaning ascribed to it in section 2.8 hereinbelow;
- (b) **“Agreement”** means this Share Exchange Agreement as entered into among the Vendor, the Company and the Purchaser, together with any Schedules attached hereto and any amendments made to either of the agreement or Schedules;
- (c) **“Arbitration Act”** means the *British Columbia International Commercial Arbitration Act*, as amended from time to time, and the rules and regulations promulgated therein, as set forth in Article 12 hereinbelow;
- (d) **“B.C. Securities Act”** means the *Securities Act* (British Columbia), as amended, and all the regulations, rules and forms promulgated under the *Securities Act*, and the blanket rulings and orders promulgated by the British Columbia Securities Commission;
- (e) **“Board of Directors”** means, as applicable, the respective Board of Directors of the relevant Party as duly constituted from time to time;
- (f) **“business day”** means any day during which chartered banks are open for business in the City of Vancouver, British Columbia, Canada;
- (g) **“Business Documentation”** means any and all records and other factual data and information relating to the Company’s business interests and assets and including, without limitation, all plans, agreements and records which are in the possession or control of the Vendor or the Company in that respect;
- (h) **“Closing”** has the meaning ascribed to it in section 6.1 hereinbelow;
- (i) **“Closing Date”** has the meanings ascribed to it in section 6.1 hereinbelow;

- (j) **“Commission”** means the British Columbia Securities Commission;
- (k) **“Company”** means BCBUD Producers Inc., a company duly incorporated under the laws of British Columbia;
- (l) **“Company’s Assets”** means all assets and Intellectual Property of the Company;
- (m) **“Company’s Business”** has the meaning ascribed to it recital “B” hereinabove;
- (n) **“Company’s Financial Statements”** has the meaning ascribed to it in section 3.4 hereinbelow;
- (o) **“Confidential Information”** has the meaning ascribed to it in section 9.1 hereinbelow;
- (p) **“Consideration Share”** has the meaning ascribed to it in section 2.2 hereinbelow, and **“Consideration Shares”** means all shares issued as part of the Purchase Price;
- (q) **“CSE”** means the Canadian Securities Exchange;
- (r) **“Defaulting Party”** and **“Non-Defaulting Party”** have the meanings ascribed to them in section 13.1 hereinbelow;
- (s) **“Effective Date”** has the meaning ascribed to it on the front page of this Agreement;
- (t) **“Escrow Agreement”** has the meaning ascribed to it in section 2.4 hereinbelow;
- (u) **“Indemnified Party”** and **“Indemnified Parties”** have the meanings ascribed to them in section 14.1 hereinbelow;
- (v) **“Intellectual Property”** means, with respect to the Company, all right and interest to all patents, patents pending, inventions, know-how, any operating or identifying name or registered or unregistered trademarks and tradenames, all computer programs, licensed end-user software, source codes, products and applications (and related documentation and materials) and other works of authorship (including notes, reports, other documents and materials, magnetic, electronic, sound or video recordings and any other work in which copyright or similar right may subsist) and all copyrights (registered or unregistered) therein, industrial designs (registered or unregistered), franchises, licenses, authorities, restrictive covenants or other industrial or intellectual property used in or pertaining to the Company and including, without limitation, all lists of customers, documents, records, correspondence and other information pertaining to the Company;
- (w) **“MMPR”** means the *Marijuana for Medical Purposes Regulations* 2013, made pursuant to subsection 55(1) of the *Controlled Drugs and Substances Act*, as amended;

- (x) **"Parties"** or **"Party"** means, respectively, collectively and individually, as the context so requires, the Vendor, the Company, and/or the Purchaser, as the case may be, together with their respective successors and permitted assigns as the context so requires;
- (y) **"person"** or **"persons"** means an individual, corporation, partnership, party, trust, fund, association and any other organized group of persons and the personal or other legal representative of a person to whom the context can apply according to law;
- (z) **"Purchase Price"** has the meaning ascribed to it in section 2.2 hereinbelow;
- (aa) **"Purchased Share"** and **"Purchased Shares"** have the meaning ascribed to them in recital "D" hereinabove; the particulars of the registered and beneficial ownership of such Purchased Shares being set forth in Schedule "A" which is attached hereto;
- (bb) **"Purchaser"** means Highmark Marketing Inc., a reporting company incorporated pursuant to the laws of British Columbia and whose common shares are listed for trading on the CSE;
- (cc) **"Purchaser's Business"** has the meaning ascribed to it in recital "A" hereinabove;
- (dd) **"Regulatory Approval"** means the acceptance for filing, if required, of the transactions contemplated by this Agreement by the Regulatory Authorities;
- (ee) **"Regulatory Authority"** and **"Regulatory Authorities"** means, either singularly or collectively as the context so requires, any regulatory agencies who have or who may have jurisdiction over the affairs of the Company, the Vendor and the Purchaser herein and including, without limitation, and where applicable, all applicable securities commissions, the Commission, and all other regulatory authorities from whom any such authorization, approval or other action is required to be obtained or to be made in connection with the transactions contemplated by this Agreement;
- (ff) **"Stock Restriction Agreement"** has the meaning ascribed to it in section 2.4 hereinbelow;
- (gg) **"Transfer Agent"** means the Purchaser's existing registrar and transfer agent for its common shares, or any successor Transfer Agent, however formed, whether as a result of merger, amalgamation or other action;
- (hh) **"Vendor"** means the shareholder of the Company, who has executed this Agreement as a Party.

1.2 Schedules.

For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following shall represent the Schedules which are attached to this Agreement and which form a material part hereof:

<u>Schedule</u>	<u>Description of Schedule</u>
Schedule "A"	Purchased Shares and Vendor
Schedule "B"	Stock Restriction Agreement

1.3 Interpretation.

For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires,:

- (a) the words "herein", "hereof", "hereunder", "hereinabove" and "hereinbelow" and other words of similar import refer to this Agreement as a whole and not to any particular Article, section or other subdivision of this Agreement;
- (b) any reference to an entity shall include and shall be deemed to be a reference to any entity that is a permitted successor to such entity; and
- (c) words in the singular include the plural and words in the masculine gender include the feminine and neuter genders, and vice versa.

ARTICLE 2

PURCHASE AND SALE AND CONDITIONS THEREON

2.1 Purchase and sale.

Subject to the terms and conditions hereof and based upon the representations, warranties and covenants contained in Articles 3 and 4 hereinbelow and the prior satisfaction of the conditions precedent which are set forth in Article 5 hereinbelow, the Vendor hereby agree to assign, sell and transfer at the "**Closing Date**" all of their respective right, entitlement and interest in and to all of the Purchased Shares to the Purchaser and the Purchaser hereby agrees to purchase all of the Purchased Shares from the Vendor on the terms and subject to the conditions contained in this Agreement.

2.2 Purchase Price.

The total purchase price (collectively, the "**Purchase Price**") for all of the Purchased Shares will be satisfied by the issuance and delivery by the Purchaser to the order and direction of the Vendor, in accordance with section 2.3 hereinbelow of an aggregate of 2,500,000 common shares in the capital of the Purchaser (each such share of the Purchaser referred to as a "**Consideration Share**"), at a deemed issuance price to be determined by the Purchaser on the Closing Date.

2.3 Disbursement of Shares.

On the Closing Date, the Purchaser will issue 2,500,000 Consideration Shares to the Vendor. The issuances will be as set out in Schedule "A".

2.4 Resale restrictions, legending of share certificates and escrow provisions.

- (a) Prior to the Closing Date, the Vendor will execute and deliver to the Purchaser an escrow agreement which will contain provisions such that the Vendor will not directly or indirectly prior to the vesting of the Consideration Shares, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any of the Consideration Shares, or enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Consideration Shares, whether any such swap or transaction is to be settled by delivery of the Consideration Shares in cash or otherwise during the term of the escrow agreement (the "**Escrow Agreement**"). Also, pursuant to the Escrow Agreement, the Consideration Shares will be held in escrow by the Purchaser's counsel and will be released as follows:

Release Date	Number of Shares Released
On receipt by the Company of a letter from Health Canada confirming submission of the Company's application to become a licensed producer pursuant to the MMPR	250,000 Consideration Shares (the " Application Shares ")
On receipt by the Company of a Ready to Build letter from Health Canada confirming that the Company has approval from Health Canada to build a facility pursuant to the MMPR	250,000 Consideration Shares (the " Ready to Build Shares ")
On receipt by the Company of a license to produce marijuana pursuant to the MMPR	2,000,000 Consideration Shares (the " License Shares ")

- (b) Immediately prior to the release of the 2,000,000 Consideration Shares from escrow, the Vendor will execute and deliver to the Purchaser a stock restriction agreement in the form attached as Schedule "B" (the "**Stock Restriction Agreement**");
- (c) The Application Shares and the Ready to Build Shares will not be subject to a Stock Restriction Agreement. The Vendor acknowledges and understands that the certificates representing the Application Shares and the Ready to Build Shares will be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE]."

- (d) The License Shares will be subject to a Stock Restriction Agreement. The Vendor acknowledges that the certificate representing the License Shares will be stamped with

the following legend (or substantially equivalent language) restricting transfer in the following manner:

“THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON SALE OR OTHER TRANSFER PURSUANT TO AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER (OR SUCH HOLDER’S PREDECESSOR IN INTEREST), A COPY OF WHICH IS ON FILE AT THE REGISTERED OFFICE OF THE COMPANY. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO THE AGREEMENT IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY.”

- (e) The Vendor hereby acknowledges and agrees that the Purchaser makes no representations as to any resale or other restriction affecting the Consideration Shares and that it is presently contemplated that the Consideration Shares will be issued by the Purchaser to the Vendor pursuant to prospectus and registration exemptions provided under National Instrument 45-106 - Prospectus and Registration Exemptions of the Canadian Securities Administrators and acknowledges that: (i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Consideration Shares to be issued to the Vendor pursuant to this Agreement; (ii) there is no government or other insurance covering the Purchased Shares; (iii) there are risks associated with ownership of the Consideration Shares; (iv) there are restrictions on the Vendor’s ability to resell the Consideration Shares and it is the responsibility of the Vendors to find out what those restrictions are and to comply with them before selling the Consideration Shares; and (v) if the Purchaser relies on an exemption from the requirements to provide the Vendors with an offering memorandum, then, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by the B.C. Securities Act, including statutory rights of rescission or damages, will not be available to the Vendor.

2.5 Conditions subsequent.

In the event that the Company is not granted a license to produce marijuana under the MMPR within two years of the Closing Date, the Purchaser may provide instruction to the Purchaser’s counsel to cancel any Consideration Shares that have not already been released from escrow.

2.6 Costs.

Each Party shall bear its own costs in relation to the negotiation and formalization of this Agreement and the matters contemplated thereby, including any legal fees, accounting, regulatory and filing fees and expenses.

2.7 Standstill provisions.

In consideration of the Parties’ agreement to purchase and sell the Purchased Shares and to enter into the terms and conditions of this Agreement, the Company and Vendor hereby undertakes for themselves, and for each of their respective agents and advisors, that they will not until the earlier of the Closing Date or the termination of this Agreement approach or consider any other potential purchasers, or make, invite, entertain or accept any offer or proposal for the proposed sale of any interest in and to any of the Purchased Shares or the Company’s Assets or the respective business interests of the Company, as the case may be,

without the Purchaser's prior written consent. In this regard each of the Parties hereby acknowledge that the foregoing restrictions are important to the business of the Purchaser and that a breach by the Company or the Vendor of any of the covenants herein contained would result in irreparable harm and significant damage to the Purchaser that would not be adequately compensated for by monetary award. Accordingly, the Company and the Vendors hereby agree that, in the event of any such breach, the Purchaser will be entitled as a matter of right to apply to a court of competent equitable jurisdiction for relief by way of restraining order, injunction, decree or otherwise as may be appropriate to ensure compliance with the provisions hereof.

2.8 Additional covenants regarding non-solicitation

- (a) When used in this Agreement, "Acquisition Proposal" means other than the transaction provided for in this Agreement: (i) any merger, take-over bid, amalgamation, plan of arrangement, business combination, consolidation, recapitalization, liquidation, dissolution or winding-up in respect of the Company or the Vendor; (ii) any sale or acquisition of 20% or more of the fair market value of the assets of the Company or the Vendor on a consolidated basis; (iii) any sale or acquisition of 20% or more of the Company's or of the Vendor's shares of any class or rights or interests therein or thereto; or (vi) any similar business combination or transaction, of or involving the Company or the Vendor, other than pursuant to this Agreement; or (vii) any proposal or offer to, or public announcement of an intention to do, any of the foregoing from any person other than the Purchaser.
- (b) Except as may be required by the Company or the Vendor, or such Party's directors, in order to comply with any statutory or fiduciary obligation, the Company or the Vendor will not, directly or indirectly, through any officer, director, employee, representative (including for greater certainty any financial or other advisors) or agent take any action to: (i) solicit, assist, initiate, encourage or otherwise knowingly facilitate (including by way of furnishing non-public information, or entering into any form of written or oral agreement) any inquiries, proposals or offers regarding any Acquisition Proposal; (ii) engage in any discussions or negotiations regarding, or provide any confidential information with respect to, any Acquisition Proposal; (iii) approve or recommend, or remain neutral with respect to, or propose publicly to approve or recommend, or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal until 15 calendar days following the public announcement of such Acquisition Proposal will not be considered to be a violation of this subsection 2.8(b); or (iv) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, arrangement or undertaking related to any Acquisition Proposal.
- (c) The Company or the Vendor will promptly (and in any event within 24 hours after it has received an Acquisition Proposal) notify the Purchaser, at first orally and then in writing, of such Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to a Purchaser received by the Company or the Vendor or of which the Company or the Vendor's directors, officers, representatives or agents are or became aware, or any amendments to the foregoing. Such notice will include a description of the terms and conditions of, and the identity of the person making the Acquisition Proposal (including any

amendment thereto) and will include copies of any such Acquisition Proposal or any amendment thereto. The Company or the Vendor will also provide such other details of the Acquisition Proposal or any amendment thereto, as the Purchaser may reasonably request.

ARTICLE 3

REPRESENTATIONS, WARRANTIES AND COVENANTS BY EACH OF THE VENDOR AND THE COMPANY

3.1 General representations, warranties and covenants by the Vendor

In order to induce the Purchaser to enter into and consummate this Agreement, the Vendor hereby represents to, warrants to and covenants with the Purchaser, with the intent that the Purchaser will rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Vendor, after having made due inquiry:

- (a) this Agreement constitutes a legal, valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, except as enforcement may be limited by laws of general application affecting the rights of creditors;
- (b) the Vendor has good and marketable title to and is the legal and beneficial owner of the Purchased Shares set out beside its name in Schedule "A", and the Purchased Shares are fully paid and non-assessable and are free and clear of liens, charges, encumbrances, pledges, mortgages and adverse claims of any and all nature whatsoever and including, without limitation, options, pre-emptive rights and other rights of acquisition in favour of any person, whether conditional or absolute;
- (c) the Vendor has the power and capacity to own and dispose of the Purchased Shares, and the Purchased Shares are not subject to any voting or similar arrangement or right capable of becoming an agreement for the purchase of any of the Purchased Shares;
- (d) the Vendor acknowledges that the Consideration Shares will be issued under certain exemptions from the registration and prospectus filing requirements otherwise applicable under the B.C. Securities Act, and all applicable securities laws, and that, as a result, the Vendor may be restricted from using most of the remedies that would otherwise be available to the Vendor, the Vendor will not receive information that would otherwise be required to be provided to the Vendor and the Purchaser is relieved from certain obligations that would otherwise apply to the Purchaser, in either case, under applicable securities legislation;
- (e) the Vendor realizes that the sale of the Purchased Shares in exchange for the Consideration Shares will be a highly speculative investment and that the Vendor should be able, without impairing the Vendor's financial condition, to hold the Consideration Shares for an indefinite period of time and to suffer a complete loss on such investment. In addition, the Vendor has such knowledge and

experience in financial and business matters that they are capable of evaluating the merits and risks of the prospective investment;

- (f) the Vendor acknowledges that:
- (i) the transfer of the Purchased Shares and the issuance of the Consideration Shares in exchange for such Purchased Shares will be made pursuant to appropriate exemptions from the formal take-over bid and prospectus requirements of the B.C. Securities Act;
 - (ii) as a consequence of acquiring the Consideration Shares pursuant to the foregoing exemptions:
 - (A) the Vendor is restricted from using certain civil remedies available under applicable securities laws;
 - (B) the Vendor may not receive information that might otherwise be required to be provided to the Vendor, and the Purchaser is relieved from certain obligations that would otherwise apply if the exemptions were not being relied upon by the Purchaser;
 - (C) there is no government or other insurance covering the Consideration Shares;
 - (D) there are risks associated with the acquisition of the Consideration Shares; and
 - (E) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Consideration Shares.

3.2 General representations, warranties and covenants by the Company.

In order to induce the Purchaser to enter into and consummate this Agreement, the Company hereby represents to, warrants to and covenants with the Purchaser, with the intent that the Purchaser will rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Company, after having made due inquiry:

- (a) the Company is duly incorporated under the laws of its jurisdiction of incorporation, is validly existing and in good standing with respect to all statutory filings required by applicable corporate law;
- (b) the Company has the requisite power, authority and capacity to carry on the Company's Business as presently conducted by it;
- (c) the execution and delivery of this Agreement and the agreements contemplated hereby have been duly authorized by all necessary action, corporate or otherwise;

- (d) there are no other consents, approvals or conditions precedent to the performance of this Agreement which have not been obtained;
- (e) this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement may be limited by laws of general application affecting the rights of creditors;
- (f) no proceedings are pending for, and the Company is unaware of, any basis for the institution of any proceedings leading to the dissolution or winding up of the Company, or the placing of it in bankruptcy or subject to any other laws governing the affairs of insolvent companies or persons;
- (g) to the actual knowledge, information and belief of the Company, the making of this Agreement and the completion of the transactions contemplated hereby and the performance of and compliance with the terms hereof does not and will not:
 - (i) conflict with or result in a breach of or violate any of the terms, conditions or provisions of the Company's constating documents;
 - (ii) conflict with or result in a breach of or violate any of the terms, conditions or provisions of any law, judgment, order, injunction, decree, regulation or ruling of any court or governmental authority, domestic or foreign, to which the Company is subject, or constitute or result in a default under any agreement, contract or commitment to which the Company is a party;
 - (iii) give to any party the right of termination, cancellation or acceleration in or with respect to any agreement, contract or commitment to which the Company is a party;
 - (iv) give to any government or governmental authority, including any governmental department, commission, bureau, board or administrative agency, any right of termination, cancellation or suspension of, or constitute a breach of or result in a default under, any permit, license, control or authority issued to the Company which is necessary or desirable in connection with the conduct and operations of the Company's Business and the ownership of the Company's Assets; or
 - (v) constitute a default by the Company, or any event which, with the giving of notice or lapse of time or both, might constitute an event of default, under any agreement, contract, indenture or other instrument relating to any indebtedness of the Company which would give any party to that agreement, contract, indenture or other instrument the right to accelerate the maturity for the payment of any amount payable under that agreement, contract, indenture or other instrument; and
- (h) the Company is not aware of any fact or circumstance which has not been disclosed to the Purchaser which should be disclosed in order to prevent the representations and warranties contained in this section from being misleading or which would likely affect the decision of the Purchaser to enter into this Agreement.

3.3 Representations, warranties and covenants by the Company respecting the Purchased Shares.

In order to induce the Purchaser to enter into and consummate this Agreement, the Company hereby represents to, warrants to and covenants with the Purchaser, with the intent that the Purchaser will also rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Company, after having made due inquiry:

- (a) the presently authorized and issued share capital of the Company is as described in Schedule "A" which is attached hereto and which forms a material part hereof, and there are no other shares in the capital of the Company, issued or allotted or agreed to be issued or allotted, to any person;
- (b) there are no actions, suits, proceedings or investigations (whether or not purportedly against or on behalf of the Vendor or the Company), pending or threatened, which may affect, without limitation, the rights of the Vendor to transfer any of the Purchased Shares to the Purchaser at law or in equity, or before or by any federal, state, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and, without limiting the generality of the foregoing, there are no claims or potential claims under any relevant family relations legislation or other equivalent legislation affecting the Purchased Shares. In addition, the Company is not now aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success;
- (c) no other person, firm or corporation has any agreement, option or any unissued shares in the capital of the Company and from the Effective Date up to and including the Closing Date and the Company has not committed to making, and until the Closing Date will not make or commit itself, without the written consent of the Purchaser, to provide any person with any agreement, option or right, consensual or arising by law, present or future, contingent or absolute, or capable of becoming an agreement, option or right to require the Company to issue any further or other shares in its share capital, or any other security convertible or exchangeable into shares in its share capital, or to convert or exchange any securities into or for shares in its share capital; and
- (d) the Company is not aware of any fact or circumstance which has not been disclosed to the Purchaser which should be disclosed in order to prevent the representations and warranties contained in this section from being misleading or which would likely affect the decision of the Purchaser to enter into this Agreement.

3.4 Representations, warranties and covenants by the Company respecting the Company's Assets and the Company's Business.

In order to induce the Purchaser to enter into and consummate this Agreement, the Company hereby represents to, warrants to and covenants with the Purchaser, with the intent that the Purchaser will also rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Company, after having made due inquiry:

- (a) the Company is preparing one or more applications, and is close to being ready to submit one or more applications, to become a licensed producer of marijuana under the MMPR involving facilities which may be located in both Langley, British Columbia or Pemberton, British Columbia. The Company's President, William J. Marshall, will be listed on the application as being the senior person in charge;
- (b) the Company owns and possesses and has good and marketable title to and possession of all of the Company's Assets free and clear of all actual or threatened liens, charges, options, encumbrances, voting agreements, voting trusts, demands, limitations and restrictions of any nature whatsoever;
- (c) the Company holds all licenses and permits required for the conduct in the ordinary course of the operations of the Company's Business and for the uses to which the Company's Assets have been put and are in good standing, and such conduct and uses are in compliance with all applicable laws, and other restrictions, rules, regulations and ordinances applicable to the Company and to the Company's Business and the Company's Assets, and neither the execution and delivery of this Agreement nor the completion of the transactions contemplated hereby will give any person the right to terminate or cancel any said license or permit or affect such compliance;
- (d) except for liabilities which have been disclosed to the Purchaser, there are no other material liabilities, contingent or otherwise, existing on the Effective Date in respect of which the Company may be liable on or after the completion of the transactions contemplated by this Agreement other than:
 - (i) liabilities disclosed or referred to in this Agreement; and
 - (ii) liabilities incurred in the ordinary course of business, none of which are materially adverse to the business, operations, affairs or financial conditions of the Company;
- (e) no dividend or other distribution by the Company has been made, declared or authorized since its incorporation, and from the Effective Date up to and including the Closing Date the Company has not committed to making and until the Closing Date will not make or commit itself, without the written consent of the Purchaser, to confer upon, or pay to or to the benefit of, any entity, any benefit having monetary value, any bonus or any salary increases except in the normal course of its business;
- (f) there is no basis for and there are no actions, suits, judgments, investigations or proceedings outstanding or pending or, to the best of the knowledge, information and belief of the Company, after having made due inquiry, threatened against or affecting the Company at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau or agency;
- (g) the Company is not in breach of any laws, ordinances, statutes, regulations, by-laws, orders or decrees to which it is subject or which apply to it;

- (h) the Company has not experienced, nor is the Company aware of, any occurrence or event which has had, or might reasonably be expected to have, a materially adverse effect on the Company's Business, the Company's Assets or on the results of the Company's operations;
- (i) the Company holds or has applied for all permits, licenses, consents and authorities issuable by any federal, provincial or municipal government or agency thereof which are necessary or desirable in connection with its operations;
- (j) there is not now, and there will not be by the Closing Date, any proceeding, claim or, to the best of the knowledge, information and belief of the Company, after having made due inquiry, any investigation by any federal, provincial or municipal taxation authority, or any matters under discussion or dispute with such taxation authorities, in respect of taxes, governmental charges, assessments or reassessments in connection with the Company, and the Company is not aware of any contingent tax liabilities or any grounds that could result in an assessment, reassessment, charge or potentially adverse determination by any federal, provincial or municipal taxation authority as against the Company;
- (k) adequate provision has been made and will be made for taxes payable by the Company for the current period for which a tax return is not yet required to be filed and, to the best of the knowledge, information and belief of the Company, after having made due inquiry, there are no contingent tax liabilities of the Company or any grounds which would prompt a re-assessment of the Company and including without limitation, the aggressive treatment of income and expenses in the filing of earlier tax returns by the Company;
- (l) all amounts required to be withheld for taxes by the Company from payments made to any present or former shareholders, officers, directors, non-resident creditors, employees, associates or consultants have been withheld and paid on a timely basis to the proper governmental body pursuant to applicable legislation;
- (m) the Company's Intellectual Property does not infringe the rights of any other person;
- (n) the Company has good and marketable title to all of the Company's Intellectual Property, Company's Assets, free and clear of all encumbrances, and none of the Company's Business or the Company's Assets is in the possession of or under the control of any other person;
- (o) the books and records of the Company are true and correct in every material respect, fairly reflect the business, property, the Company's Assets and any such books and records;
- (p) no payments of any kind have been made or authorized by or on behalf of the Company to or on behalf of the Vendor or to or on behalf of any directors, officers, shareholders or employees of the Company or under any management agreements with the Company other than in the ordinary course of business;

- (q) neither the directors, officers or employees of the Company, are now indebted or under obligation to the Company on any account whatsoever other than in the ordinary course of business;
- (r) the audited balance sheets for the Company plus any unaudited balance sheets for the Company, together with related statements of income, cash flows and changes in shareholder's equity for such fiscal years and interim periods ended prior to the Closing Date (the "**Company Financial Statements**") to be supplied on or before the Closing Date:
 - (i) are in accordance with the books and records of the Company;
 - (ii) present fairly the financial condition of the Company as of the respective dates indicated and the results of operations for such periods; and
 - (iii) have been prepared in accordance with International Financial Reporting Standards generally accepted accounting principles;
- (s) all material transactions of the Company and including, without limitation, all directors' and shareholders' resolutions, have been promptly and properly recorded or filed in the Company's books and records;

(t) the present directors and officers of the Company are as follows:

Name of director/officer	Position with Company
William J. Marshall	President and Director

- (u) the Company will have obtained all authorizations and approvals or waivers that may be necessary or desirable in connection with the transactions contemplated in this Agreement, and has made all filings with, any and all Regulatory Authorities, if applicable, from whom any such authorization, approval or other action is required to be obtained or to be made in connection with the transactions contemplated herein, and all such authorizations, approvals and other actions will be in full force and effect;
- (v) the Company has not committed to making and until the Closing Date will not make or commit itself, without the written consent of the Purchaser, to:
 - (i) guarantee, or agree to guarantee, any indebtedness or other obligation of any person or corporation;
 - (ii) any payment other than the payment of ordinary course obligations; or
 - (iii) waive or surrender any right of material value;
- (w) until the Closing Date the Company will:
 - (i) maintain its business and the Company's Assets in a manner consistent with and in compliance with applicable law; and

- (ii) not enter into any material transaction or assume or incur any material liability outside the normal course of its business;
- (x) the Company has not committed to making and until the Closing Date will not make or commit itself, without the written consent of the Purchaser, to:
 - (i) sell all or any part of its business or the Company's Assets or agree to do or perform any act or enter into any transaction or negotiation which could reasonably be expected to interfere with this Agreement or which would render inaccurate any of the representations, warranties and covenants set forth in this Agreement; or
 - (ii) merge, amalgamate or consolidate into or with any entity, or enter into any other corporate reorganization;

provided, however, that the provisions hereof shall not preclude the Company, pending the Closing or the termination of this Agreement, whichever shall first occur, from carrying on its business in the normal course thereof;

- (y) the attached Schedule contains all material information for each particular listed therein and there are no omissions of material information by the Company; and
- (z) the Company is not aware of any fact or circumstance which has not been disclosed to the Purchaser which should be disclosed in order to prevent the representations and warranties contained in this section from being misleading or which would likely affect the decision of the Purchaser to enter into this Agreement.

3.5 Continuity of the representations, warranties and covenants by the Vendor and the Company.

The representations, warranties and covenants by the Vendor and the Company contained in this Article, or in any certificates or documents delivered pursuant to the provisions of this Agreement or in connection with the transactions contemplated hereby, will be true at and as of the Closing Date as though such representations, warranties and covenants were made at and as of such time. Notwithstanding any investigations or inquiries made by the Purchaser or by the Purchaser's professional advisors prior to the Closing Date, or the waiver of any condition by the Purchaser, the representations, warranties and covenants of the Vendor and the Company contained in this Article shall survive the Closing Date and shall continue in full force and effect for a period of one calendar year from the Closing Date; provided, however, that the Vendor and the Company shall not be responsible for the breach of any representation, warranty or covenant of the Vendor or the Company contained herein caused by any act or omission of the Purchaser prior to the Effective Date hereof of which the Vendor and the Company were unaware or as a result of any action taken by the Purchaser after the Effective Date. In the event that any of the said representations, warranties or covenants are found by a court of competent jurisdiction to be incorrect and such incorrectness results in any loss or damage sustained directly or indirectly by the Purchaser, then the Vendor and/or the Company, as the case may be, will, in accordance with the provisions of Article 14 hereinbelow, pay the amount of such loss or damage to the Purchaser within 30 calendar days of receiving notice of judgment therefore.

ARTICLE 4

WARRANTIES, REPRESENTATIONS AND COVENANTS BY THE PURCHASER

4.1 Warranties, representations and covenants by the Purchaser.

In order to induce the Vendor and the Company to enter into and consummate this Agreement, the Purchaser hereby warrants to, represents to and covenants with the Vendor and the Company, with the intent that the Vendor and the Company will rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Purchaser, after having made due inquiry:

- (a) the Purchaser is a corporation duly incorporated under the laws of its jurisdiction of incorporation;
- (b) the Purchaser has the requisite power, authority and capacity to carry on the Purchaser's Business as presently conducted by it;
- (c) the Purchaser is qualified to do business in those jurisdictions where it is necessary to fulfill its obligations under this Agreement, and it has the full power and authority to enter into this Agreement and any agreement or instrument referred to or contemplated by this Agreement;
- (d) the execution and delivery of this Agreement and the agreements contemplated hereby has been duly authorized by all necessary corporate action on its part;
- (e) there are no other consents, approvals or conditions precedent to the performance of this Agreement which have not been obtained;
- (f) this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, except as enforcement may be limited by laws of general application affecting the rights of creditors;
- (g) no proceedings are pending for, and the Purchaser is unaware of, any basis for the institution of any proceedings leading to the dissolution or winding up of the Purchaser or the placing of the Purchaser in bankruptcy or subject to any other laws governing the affairs of insolvent companies;
- (h) the Purchaser owns and possesses and has good and marketable title to and possession of all of its business assets free and clear of all actual or threatened liens, charges, options, encumbrances, voting agreements, voting trusts, demands, limitations and restrictions of any nature whatsoever;
- (i) the Purchaser holds all licenses and permits required for the conduct in the ordinary course of the operations of its business and for the uses to which its business assets have been put and are in good standing, and such conduct and uses are in compliance with all applicable laws, and other restrictions, rules, regulations and ordinances applicable to the Purchaser, and neither the execution and delivery of this Agreement nor the completion of the transactions

contemplated hereby will give any person the right to terminate or cancel any said license or permit or affect such compliance;

- (j) the authorized capital of the Purchaser is unlimited and according to the records of the Purchaser, there are 13,024,607 common shares issued and outstanding as fully paid and non-assessable as at the Effective Date;
- (k) all of the issued and outstanding shares of the Purchaser are listed and posted for trading on the CSE and the Purchaser is not in material default of any applicable CSE rules or any rules or policies of the British Columbia Securities Commission (the "**Commission**");
- (l) the Purchaser will allot and issue the Consideration Shares in accordance with section 2.2 hereinabove as fully paid and non-assessable in the capital of the Purchaser. The Consideration Shares will be held in escrow by the Purchaser's counsel until the Consideration Shares are released in accordance with the release schedule in section 2.4. Once the Consideration Shares are released, the Consideration Shares will be free and clear of all actual or threatened liens, charges, options, encumbrances, voting agreements, voting trusts, demands, limitations and restrictions, other than hold periods or other restrictions imposed under applicable securities legislation;
- (m) there is no basis for and there are no actions, suits, judgments, investigations or proceedings outstanding or pending or, to the best of the knowledge, information and belief of the Purchaser, after making due inquiry, threatened against or affecting the Purchaser at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau or agency;
- (n) the Purchaser is not in breach of any laws, ordinances, statutes, regulations, by-laws, orders or decrees to which it is subject or which apply to it;
- (o) there is not now, and there will not be by the Closing Date, any proceeding, claim or, to the best of the knowledge, information and belief of the Purchaser, after making due inquiry, any investigation by any federal, provincial or municipal taxation authority, or any matters under discussion or dispute with such taxation authorities, in respect of taxes, governmental charges, assessments or reassessments in connection with the Purchaser, and the Purchaser is not aware of any contingent tax liabilities or any grounds that could result in an assessment, reassessment, charge or potentially adverse determination by any federal, provincial or municipal taxation authority as against the Purchaser;
- (p) the Purchaser has no equipment, other than the personal property or fixtures in the possession or custody of the Purchaser which, as of the date hereof, are leased or are held under license or similar arrangement;
- (q) there are no liabilities, contingent or otherwise of the Purchaser not disclosed;
- (r) none of the directors, officers or employees of the Purchaser are now indebted or under obligation to the Purchaser on any account whatsoever, other than in the

ordinary course of business or as otherwise disclosed in the Purchaser's financial statements;

- (s) all material transactions of the Purchaser and including, without limitation, all directors' and shareholders' resolutions, have been promptly and properly recorded or filed in or with the Purchaser's books and records;
- (t) the Purchaser will have obtained all authorizations, approvals, or waivers that may be necessary or desirable in connection with the transactions contemplated in this Agreement, and other actions by, and have made all filings with, any and all Regulatory Authorities required to be made in connection with the transactions contemplated herein, and all such authorizations, approvals and other actions will be in full force and effect, and all such filings will have been accepted by the Purchaser, which will be in compliance with, and have not committed any breach of, any securities laws, regulations or policies of any Regulatory Authority to which the Purchaser may be subject;
- (u) until the Closing Date the Purchaser will:
 - (i) maintain its assets in a manner consistent with and in compliance with applicable law; and
- (v) the Purchaser has not committed to making and until the Closing Date will not make or commit itself, without the written consent of the Vendor and the Company, to:
 - (i) declare or pay any dividend, or make any distribution of its properties or assets to its shareholders, or purchase or retire any of its shares;
 - (ii) sell all or any part of its assets or agree to do or perform any act or enter into any transaction or negotiation which could reasonably be expected to interfere with this Agreement or which would render inaccurate any of the representations, warranties and covenants set forth in this Agreement; or
- (w) the shares in the capital of the Purchaser are not subject to or affected by any actual or, to the knowledge of the Purchaser, pending or threatened cease trading, compliance or denial of use of exemptions orders of, or action, investigation or proceeding by or before, any securities regulatory authority, court, administrative agency or other tribunal;
- (x) the making of this Agreement and the completion of the transactions contemplated hereby and the performance of and compliance with the terms hereof does not and will not:
 - (i) conflict with or result in a breach of or violate any of the terms, conditions or provisions of the constating documents of the Purchaser;
 - (ii) conflict with or result in a breach of or violate any of the terms, conditions or provisions of any law, judgment, order, injunction, decree, regulation or ruling of any court or governmental authority, domestic or foreign, to which the Purchaser is subject, or constitute or result in a default under

- any agreement, contract or commitment to which the Purchaser is a party;
- (iii) give to any party the right of termination, cancellation or acceleration in or with respect to any agreement, contract or commitment to which the Purchaser is a party;
 - (iv) give to any government or governmental authority, or any municipality or any subdivision thereof, including any governmental department, commission, bureau, board or administration agency, any right of termination, cancellation or suspension of, or constitute a breach of or result in a default under, any permit, license, control or authority issued to the Purchaser which is necessary or desirable in connection with the conduct and operations of its businesses and the ownership or leasing of its business assets; or
 - (v) constitute a default by the Purchaser or any event which, with the giving of notice or lapse of time or both, might constitute an event of default, under any agreement, contract, indenture or other instrument relating to any indebtedness of the Purchaser which would give any party to that agreement, contract, indenture or other instrument the right to accelerate the maturity for the payment of any amount payable under that agreement, contract, indenture or other instrument;
- (y) neither this Agreement nor any other document, certificate or statement furnished to the Vendor or the Company by or on behalf of the Purchaser in connection with the transactions contemplated hereby knowingly or negligently contains any untrue or incomplete statement of material fact or omits to state a material fact necessary in order to make the statements therein not misleading; and
- (z) it is not aware of any fact or circumstance which has not been disclosed to the Vendor and the Company which should be disclosed in order to prevent the representations, warranties and covenants contained in this section from being misleading or which would likely affect the decision of the Vendor and the Company to enter into this Agreement.

4.2 Continuity of the representations, warranties and covenants by the Purchaser.

The representations, warranties and covenants of the Purchaser contained in this Article, or in any certificates or documents delivered pursuant to the provisions of this Agreement or in connection with the transactions contemplated hereby, will be true at and as of the Closing Date as though such representations, warranties and covenants were made at and as of such time. Notwithstanding any investigations or inquiries made by either the Vendor or the Company, or by the Vendor or the Company's respective professional advisors prior to the Closing Date, or the waiver of any condition by either the Vendor or the Company, the representations, warranties and covenants of the Purchaser contained in this Article shall survive the Closing Date and shall continue in full force and effect for a period of one calendar year from the Closing Date; provided, however, that the Purchaser shall not be responsible for the breach of any representation, warranty or covenant of the Purchaser contained herein caused by any act or omission of either of the Vendor or the Company prior to the Effective Date hereof of which the Purchaser was unaware or as a result of any action taken by either of the Vendor or the

Company after the Effective Date. In the event that any of the said representations, warranties or covenants are found by a court of competent jurisdiction to be incorrect and such incorrectness results in any loss or damage sustained directly or indirectly by either of the Vendor and/or the Company, then the Purchaser will, in accordance with the provisions of Article 14 hereinbelow, pay the amount of such loss or damage to either of the Vendor and/or the Company, as the case may be, within 30 calendar days of receiving notice of judgment therefore; provided that the Vendor and the Company will not be entitled to make any claim unless the loss or damage suffered may exceed the amount of \$1,000.00.

ARTICLE 5

CONDITIONS PRECEDENT TO CLOSING

5.1 Parties' conditions precedent.

All of the rights, duties and obligations of each of the Parties under this Agreement are subject to the following conditions precedent for the exclusive benefit of each of the Parties to be fulfilled in all material aspects in the reasonable opinion of each of the Parties or to be waived by each or any of the Parties, as the case may be, as soon as possible after the Effective Date:

- (a) if required under applicable corporate and securities laws, the receipt of all necessary approvals from any Regulatory Authority having jurisdiction over the transactions contemplated by this Agreement on or before November 30, 2014; and
- (b) the Board of Directors of the Purchaser approving of the issuance by the Purchaser to the order and direction of the Vendor of all of the Consideration Shares in accordance with section 2.2 hereinabove and, in addition, the Board of Directors of the Purchaser, if required, having also approved and received any required notice of such other matters as may be agreed to as between the Parties prior the completion of the transactions contemplated by this Agreement.

5.2 Parties' waiver of conditions precedent.

The conditions precedent set forth in section 5.1 hereinabove are for the exclusive benefit of each of the Parties and may be waived by each or any of the Parties in writing and in whole or in part at any time, such waiver being without prejudice to any other rights that each Party may have.

5.3 Vendor's and the Company's conditions precedent.

The rights, duties and obligations of the Vendor and the Company under this Agreement are also subject to the following conditions precedent for the exclusive benefit of the Vendor and the Company to be fulfilled in all material aspects in the reasonable opinion of the Vendor and the Company or to be waived by each or any of the Vendor and the Company as soon as possible after the Effective Date:

- (a) the Purchaser shall have complied with all warranties, representations, covenants and agreements herein agreed to be performed or caused to be performed by the Purchaser on or before the Closing Date as the case may be;

- (b) the Purchaser shall have complied with all applicable securities laws in connection with the issuance of the Consideration Shares to the Vendor on or before the Closing Date;
- (c) the Purchaser will have obtained all authorizations, approvals, or waivers that may be necessary or desirable in connection with the transactions contemplated in this Agreement, and have made all filings with, any and all Regulatory Authorities required to be made in connection with the transactions contemplated herein, and all such authorizations, approvals and other actions will be in full force and effect, and all such filings will have been accepted by the Purchaser who will be in compliance with, and have not committed any breach of, any securities laws, regulations or policies of any Regulatory Authority to which the Purchaser may be subject; and
- (d) no action or proceeding at law or in equity shall be pending or threatened by any person, company, firm, governmental authority, regulatory body or agency to enjoin or prohibit:
 - (i) the purchase or transfer of any of the Purchased Shares contemplated by this Agreement or the right of the Vendor to dispose of any of the Purchased Shares; or
 - (ii) the right of the Purchaser to conduct its operations and carry on, in the normal course, its business and operations as it has carried on in the past.

5.4 Vendor's and the Company's waiver of conditions precedent.

The conditions precedent set forth in section 5.3 hereinabove are for the exclusive benefit of the Vendor and the Company and may be waived by each of the Vendor and the Company in writing and in whole or in part at any time after the Effective Date, such waiver being without prejudice to any other rights that such Party may have.

5.5 Purchaser's conditions precedent.

The rights, duties and obligations of the Purchaser under this Agreement are also subject to the following conditions precedent for the exclusive benefit of the Purchaser to be fulfilled in all material aspects in the reasonable opinion of the Purchaser or to be waived by the Purchaser as soon as possible after the Effective Date:

- (a) the Vendor and the Company will have complied with all warranties, representations, covenants and agreements herein agreed to be performed or caused to be performed by the Vendor and the Company on or before the Closing Date;
- (b) the Vendor and the Company will have obtained all authorizations, approvals or waivers that may be necessary or desirable in connection with the transactions contemplated in this Agreement, and have made all filings with, any and all Regulatory Authorities from whom any such authorization, approval or other action is required to be obtained or to be made in connection with the transactions contemplated herein, and all such authorizations, approvals and

other actions will be in full force and effect, and all such filings will have been accepted by the Vendor and the Company who will be in compliance with, and have not committed any breach of, any securities laws, regulations or policies of any Regulatory Authority to which the Vendor or the Company may be subject;

- (c) no material loss or destruction of or damage to the Company, any of the Company's Assets, any of the Company's Business or the Purchased Shares shall have occurred;
- (d) no action or proceeding at law or in equity shall be pending or threatened by any person, company, firm, governmental authority, regulatory body or agency to enjoin or prohibit:
 - (i) the purchase or transfer of any of the Purchased Shares contemplated by this Agreement or the right of the Vendor to dispose of any of the Purchased Shares; or
 - (ii) the right of the Company to conduct its operations and carry on, in the normal course, its business and operations as it has carried on in the past;
- (e) the delivery to the Purchaser by the Vendor and the Company, on a confidential basis, of all Business Documentation;
- (f) the delivery to the Purchaser by the Company of the Company's Financial Statements on or before the Closing Date;
- (g) the delivery to the Purchaser by the Vendor of an Escrow Agreement whereby the Vendor agrees that the Consideration Shares will be held in escrow by the Purchaser's counsel and the Consideration Shares will be released in accordance with the release schedule in section 2.4.; and
- (h) the Vendor will execute and deliver such other instruments or documents and take such further action as may reasonably be required by the Purchaser or the Exchange to give effect to any matter provided for therein.

5.6 Purchaser's waiver of conditions precedent.

The conditions precedent set forth in section 5.5 hereinabove are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in writing and in whole or in part at any time after the Effective Date, such waiver being without prejudice to any other rights that such Party may have.

ARTICLE 6

CLOSING AND EVENTS OF CLOSING

6.1 Closing and Closing Dates.

The closing (the "**Closing**") of the purchase and delivery of the Purchased Shares, as contemplated in the manner as set forth in Article 2 hereinabove, together with all of the

transactions contemplated by this Agreement, shall occur on such day following the due and complete satisfaction of all of the conditions precedent which are set out in Article 5 hereinabove (the “**Closing Date**”), or on such earlier or later date as may be agreed to in advance and in writing by each of the Parties, and will be closed, in each such instance, at the offices of Bacchus Law Corporation, located at Suite 1820 Cathedral Place, 925 West Georgia Street, Vancouver British Columbia V6C 3L2, at 2:00 p.m. (Vancouver time) on the Closing Date.

6.2 Latest Closing Date.

If the Closing Date has not occurred by December 31, 2014 this Agreement may be terminated at the option of either Party on 10 days’ notice to the other parties.

6.3 Documents to be delivered by the Vendor and the Company prior to the Closing Date.

Prior to the Closing Date, as the case may be, and in addition to the documentation which is required by the agreements and conditions precedent which are set forth hereinabove, the Vendor and the Company shall also execute and deliver, or cause to be delivered, to the Purchaser, all such other documents, resolutions and instruments as may be necessary, in the opinion of counsel for the Purchaser, acting reasonably, to complete all of the transactions contemplated by this Agreement and including, without limitation, the necessary transfer of the Purchased Shares (in accordance with the amounts set out Schedule “A” as at the Closing Date) to the Purchaser free and clear of all liens, charges and encumbrances, and in particular including, but not being limited to, the following materials:

- (a) all documentation as may be necessary and as may be required by counsel for the Purchaser, acting reasonably, to ensure that all of the Purchased Shares have been transferred, assigned and are registrable in the name of and for the benefit of the Purchaser under all applicable corporate and securities laws;
- (b) certificate(s) representing the Purchased Shares transferable on the Closing Date registered in the name of the Vendor duly endorsed for transfer to the Purchaser or irrevocable stock powers transferring the applicable Purchased Shares to the Purchaser;
- (c) a certificate representing the Purchased Shares purchased on the Closing Date registered in the name of the Purchaser;
- (d) a copy of the resolutions of the Board of Directors of the Company authorizing the transfer by the Vendor to the Purchaser of the Purchased Shares;
- (e) all necessary consents and approvals in writing to the completion of the transactions contemplated herein;
- (f) the Company’s Financial Statements;
- (g) a certificate of an officer from the Company dated as of the Closing Date, acceptable in form to counsel for the Purchaser, acting reasonably, certifying that the warranties, representations, covenants and agreements of the Company contained in this Agreement are true and correct in all respects and will be true

and correct as of the Closing Date as if made by the Company on the Closing Date; and

- (h) all such other documents and instruments as the Purchaser's counsel may reasonably require.

6.4 Documents to be delivered by the Purchaser prior to the Closing Date.

Prior to the Closing Date, and in addition to the documentation which is required by the agreements and conditions precedent which are set forth hereinabove, the Purchaser shall also execute and deliver, or cause to be delivered, to the Company and the Transfer Agent, as applicable, all such other documents, resolutions and instruments as are necessary, in the opinion of counsel for the Vendor and the Company, acting reasonably, to issue to the Vendor the Consideration Shares free and clear of all liens, charges and encumbrances, however, subject to the resale provisions applicable thereto, and in particular including, but not being limited to, the following materials:

- (a) a copy of the resolutions of the directors of the Purchaser providing for the approval of all of the transactions contemplated hereby;
- (b) all necessary consents and approvals in writing to the completion of the transactions contemplated herein;
- (c) a certificate of an officer of the Purchaser, dated as of the Closing Date, acceptable in form to counsel for the Vendor and the Company, acting reasonably, certifying that the warranties, representations, covenants and agreements of the Purchaser contained in this Agreement are true and correct and will be true and correct as of the Closing Date as if made by the Purchaser on the Closing Date; and
- (d) all such other documents and instruments as the Vendor's and the Company's counsel may reasonably require.

ARTICLE 7

DUE DILIGENCE INVESTIGATION

7.1 Due diligence.

Each of the Parties shall forthwith conduct such further due diligence examination of the other Parties as it deems appropriate.

7.2 Confidentiality.

Each Party may in a reasonable manner carry out such investigations and due diligence as to the other Parties, at all times subject to the confidentiality provisions of Articles 8 and 9 hereinbelow, as each Party deems necessary. In that regard the Parties agree that each shall have full and complete access to the other Parties' books, records, financial statements and other documents, articles of incorporation, by-laws, minutes of Board of Directors' meetings and its committees, investment agreements, material contracts and as well such other documents and materials as the Parties, or their respective solicitors, may deem reasonable

and necessary to conduct an adequate due diligence investigation of each Party, its respective operations and financial condition prior to the Closing.

ARTICLE 8

NON-DISCLOSURE

8.1 Non-disclosure.

Subject to the provisions of section 8.2 hereinbelow, the Parties, for themselves, their officers, directors, shareholders, consultants, employees and agents, agree that they each will not disseminate or disclose, or knowingly allow, permit or cause others to disseminate or disclose to third parties who are not subject to express or implied covenants of confidentiality, without the other Parties' express written consent, either: (i) the fact or existence of this Agreement or discussions and/or negotiations between them involving, inter alia, possible business transactions; (ii) the possible substance or content of those discussions; (iii) the possible terms and conditions of any proposed transaction; (iv) any statements or representations (whether verbal or written) made by either Party in the course of or in connection with those discussions; or (v) any written material generated by or on behalf of any Party and such contacts, other than such disclosure as may be required under applicable securities legislation or regulations, pursuant to any order of a court or on a "need to know" basis to each of the Parties' respective professional advisors.

8.2 Public announcements.

Notwithstanding the provisions of this Article, the Parties agree to make such public announcements of this Agreement promptly upon its execution in accordance with the requirements of applicable securities legislation.

ARTICLE 9

CONFIDENTIAL INFORMATION

9.1 Confidential Information.

Each Party acknowledges that any and all information which a Party may obtain from, or have disclosed to it, about the other Parties constitutes valuable trade secrets and proprietary confidential information of the other Parties (collectively, the "**Confidential Information**"). No such Confidential Information shall be published by any Party without the prior written consent of the other Parties. Furthermore, each Party undertakes not to disclose the Confidential Information to any third party without the prior written approval of the other Parties and to ensure that any third party to which the Confidential Information is disclosed shall execute an agreement and undertaking on the same terms as contained herein.

9.2 Documentation.

Any document or written material generated by either Party in the course of, or in connection with, the due diligence investigations conducted pursuant to this Agreement shall be marked or deemed "Confidential" and shall be treated by each Party as a trade secret of the other Parties. In the event of termination of this Agreement, all copies of any and all documents obtained by

any Party from any other Party herein, whether or not marked "Confidential", shall be returned to the other Parties forthwith.

9.3 Disclosure of Confidential Information.

Notwithstanding anything contained in Article 8 or Article 9:

- (a) any Party may disclose any Confidential Information in the form of an announcement agreed between the Parties, acting reasonably, or if such disclosure is required to be made: (i) in a judicial, administrative or governmental proceeding pursuant to a valid subpoena or other applicable order; or (ii) by applicable law;
- (b) prior to any disclosure of Confidential Information under section 9.3, the disclosing Party will give the other Parties at least two (2) Business Days prior written notice (unless the disclosing Party is obligated to release the Confidential Information on less than two (2) Business Days' notice in order to comply with applicable laws) and, in making such disclosure, the disclosing Party will disclose only that portion of Confidential Information required to be disclosed and will take all reasonable steps to preserve the confidentiality thereof; and
- (c) if a disclosure under section 9.3 becomes necessary, the disclosing Party will (to the extent permitted by applicable laws) consult with the other Parties regarding the text of any such statement, release or disclosure and the disclosing Party will use all reasonable efforts, acting expeditiously and in good faith, to agree upon a text that is satisfactory to each of them within two (2) Business Days or such shorter period as contemplated in section 9.3.

ARTICLE 10

ASSIGNMENT AND VARIATIONS

10.1 Assignment.

Save and except as provided herein, no Party may sell, assign, pledge or mortgage or otherwise encumber all or any part of its respective interest herein without the prior written consent all of the other Parties.

10.2 Amendment.

This Agreement and any provision thereof may only be amended in writing and only by duly authorized signatories of each of the respective Parties.

10.3 Variation in the terms of this Agreement upon review.

It is hereby acknowledged and agreed by each of the Parties that where any variation in the terms and/or conditions of this Agreement is reasonably required by any of the Regulatory Authorities as a condition of their respective "Regulatory Approval" to any of the terms and conditions of this Agreement, any such reasonable variation, having first been notified to all Parties, will be deemed to be accepted by each of the Parties and form part of the terms and conditions of this Agreement. If any such Party, acting reasonably, deems any such notified

variation unreasonable, that Party may, in its sole and absolute discretion, and within a period of not greater than 10 calendar days from its original notification and at its cost, make such further applications or submissions to the relevant Regulatory Authority as it considers necessary in order to seek an amendment to any such variation; provided, however, that the final determination by any such Regulatory Authority to any such application or submission by such objecting Party will be deemed binding upon such Party who must then provide notification to all other Parties as provided for hereinabove.

ARTICLE 11

FORCE MAJEURE

11.1 Events.

If any Party is at any time prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, earthquakes, storms, floods, explosions, accidents, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market, unavailability of equipment, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of that Party, then the time limited for the performance by that Party of its respective obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay.

11.2 Notice.

A Party shall, within seven calendar days, give notice to the other Parties of each event of force majeure under section 11.1 hereinabove, and upon cessation of such event shall furnish the other Parties with notice of that event together with particulars of the number of days by which the obligations of that Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

ARTICLE 12

ARBITRATION

12.1 Matters for Arbitration.

The Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof.

12.2 Notice.

It shall be a condition precedent to the right of any Party to submit any matter to arbitration pursuant to the provisions hereof that any Party intending to refer any matter to arbitration shall have given not less than five calendar days' prior written notice of its intention to do so to the other Parties together with particulars of the matter in dispute. On the expiration of such five calendar days the Party who gave such notice may proceed to refer the dispute to arbitration as provided in section 12.3 hereinbelow.

12.3 Appointments.

The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Parties of such appointment. Unless the Parties can mutually agree in writing on the appointment of a single arbitrator, then the other Parties shall, within five calendar days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within five calendar days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator, to act with them and be chairman of the arbitration herein provided for. If the other Parties shall fail to appoint an arbitrator within five calendar days after receiving notice of the appointment of the first arbitrator, or if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairman, the chairman shall be appointed under the provisions of the Arbitration Act. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Arbitration Act. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place in Vancouver, British Columbia, Canada, for the purpose of hearing the evidence and representations of the Parties, and he shall preside over the arbitration and determine all questions of procedure not provided for under such Arbitration Act or this section. After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.

12.4 Award.

The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

ARTICLE 13

DEFAULT AND TERMINATION

13.1 Default.

The Parties agree that if any Party is in default with respect to any of the provisions of this Agreement (herein called the “**Defaulting Party**”), the non-defaulting Parties (herein called, collectively, the “**Non-Defaulting Party**”) shall give notice to the Defaulting Party designating such default, and within five calendar days after its receipt of such notice, the Defaulting Party shall either:

- (a) cure such default, or commence proceedings to cure such default and prosecute the same to completion without undue delay; or
- (b) give the Non-Defaulting Party notice that it denies that such default has occurred and that it is submitting the question to arbitration as herein provided.

13.2 Arbitration.

If arbitration is sought, a Party shall not be deemed in default until the matter shall have been determined finally by appropriate arbitration under the provisions of Article 12 hereinabove.

13.3 Curing the Default.

If:

- (a) the default is not so cured or the Defaulting Party does not commence or diligently proceed to cure the default; or
- (b) arbitration is not so sought; or
- (c) the Defaulting Party is found in arbitration proceedings to be in default, and fails to cure it within five calendar days after the rendering of the arbitration award, the Non-Defaulting Party may, by written notice given to the Defaulting Party at any time while the default continues, terminate the interest of the Defaulting Party in and to this Agreement.

13.4 Termination.

In addition to the foregoing it is hereby acknowledged and agreed by the Parties that this Agreement will be immediately terminated, unless otherwise extended in accordance with section 6.2 hereinabove, in the event that:

- (a) either of the Parties has not either satisfied or waived each of their respective conditions precedent prior to the Closing Date, in accordance with the provisions of Article 5 hereinabove;
- (b) either of the Parties has failed to deliver or caused to be delivered any of their respective documents required to be delivered by Articles 5, 6 and 7 hereinabove prior to the Closing Date in accordance with the provisions of Articles 5, 6 and 7;
- (c) the Closing Date has not occurred on or before December 31, 2014 and one party has given notice to the other parties in accordance with section 6.2 hereinabove; or
- (d) by agreement in writing by each of the Parties;

and in such event this Agreement will be terminated and be of no further force and effect other than the obligations under Articles 8 and 9 hereinabove.

ARTICLE 14

INDEMNIFICATION AND LEGAL PROCEEDINGS

14.1 Indemnification.

The Parties agree to indemnify and save harmless the other Parties and including, where applicable, their respective affiliates, directors, officers, employees and agents (each such party being an "**Indemnified Party**") harmless from and against any and all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind, including any investigation expenses incurred by any Indemnified Party, to which an Indemnified Party may become subject by reason of the terms and conditions of this Agreement.

14.2 No indemnification.

This indemnity will not apply in respect of an Indemnified Party in the event and to the extent that a court of competent jurisdiction in a final judgment shall determine that the Indemnified Party was grossly negligent or guilty of willful misconduct.

14.3 Claim of indemnification.

The Parties agree to waive any right they might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy, security or claim payment from any other person before claiming this indemnity.

14.4 Notice of claim.

In case any action is brought against an Indemnified Party in respect of which indemnity may be sought against any of the Parties, the Indemnified Party will give the relevant Party prompt written notice of any such action of which the Indemnified Party has knowledge and such Party will undertake the investigation and defense thereof on behalf of the Indemnified Party, including the prompt Consulting of counsel acceptable to the Indemnified Party affected and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve any Party of such Party's obligation of indemnification hereunder unless (and only to the extent that) such failure results in a forfeiture by any Party of substantive rights or defenses.

14.5 Settlement.

No admission of liability and no settlement of any action shall be made without the consent of each of the Parties and the consent of the Indemnified Party affected, such consent not to be unreasonably withheld.

14.6 Legal proceedings.

Notwithstanding that the relevant Party will undertake the investigation and defense of any action, an Indemnified Party will have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:

- (a) such counsel has been authorized by the relevant Party;
- (b) the relevant Party hereto has not assumed the defense of the action within a reasonable period of time after receiving notice of the action;
- (c) the named parties to any such action include any Party hereto and the Indemnified Party shall have been advised by counsel that there may be a conflict of interest between any Party hereto and the Indemnified Party; or
- (d) there are one or more legal defenses available to the Indemnified Party which are different from or in addition to those available to any Party hereto.

14.7 Contribution.

If for any reason other than the gross negligence or bad faith of the Indemnified Party being the primary cause of the loss claim, damage, liability, cost or expense, the foregoing indemnification is unavailable to the Indemnified Party or insufficient to hold them harmless, the relevant Party hereto shall contribute to the amount paid or payable by the Indemnified Party as a result of any and all such losses, claim, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by any Party hereto on the one hand and the Indemnified Party on the other, but also the relative fault of the Parties and other equitable considerations which may be relevant. Notwithstanding the foregoing, the relevant Party hereto shall in any event contribute to the amount paid or payable by the Indemnified Party, as a result of the loss, claim, damage, liability, cost or expense (other than a loss, claim, damage, liability, cost or expenses, the primary cause of which is the gross negligence or bad faith of the Indemnified Party), any excess of such amount over the amount of the fees actually received by the Indemnified Party hereunder.

ARTICLE 15

NOTICE

15.1 Notice.

Each notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by prepaid first class mail deposited in a post office addressed to the Party entitled to receive the same, or delivered to such Party, at the address for such Party specified above or in Schedule "A" in the case of the Vendor. The date of receipt of such notice, demand or other communication shall be the date of delivery thereof if delivered, or, if given by first class mail as aforesaid, shall be deemed conclusively to be the third calendar day after the same shall have been so mailed, or 15 calendar days in the case of an addressee with an address for service in a country other than a country in which the Party giving the notice, demand or other communication resides, except in the case of interruption of postal services for any reason whatsoever, in which case the date of receipt shall be the date on which the notice, demand or other communication is actually received by the addressee.

15.2 Change of address.

Either Party may at any time and from time to time notify the other Parties in writing of a change of address and the new address to which notice shall be given to it thereafter until further change.

ARTICLE 16

GENERAL PROVISIONS

16.1 Entire agreement.

This Agreement constitutes the entire agreement to date between the Parties and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the Parties with respect to the subject matter of this Agreement.

16.2 Enurement.

This Agreement will enure to the benefit of and will be binding upon the Parties, their respective heirs, executors, administrators, successors and permitted assigns.

16.3 Schedules.

The Schedules to this Agreement are hereby incorporated by reference into this Agreement in its entirety.

16.4 Time of the essence.

Time is of the essence of this Agreement.

16.5 Representation and costs.

It is acknowledged by each of the Parties that Bacchus Law Corporation acts solely for the Purchaser, and, correspondingly, that each of the Vendors and the Company have been advised to obtain independent legal advice with respect to their respective reviews and execution of this Agreement. Each Party to this Agreement will also bear and pay its own costs, legal and otherwise, in connection with its respective preparation, review and execution of this Agreement and, in particular, that the costs involved in the preparation of this Agreement, and all documentation necessarily incidental thereto, by Bacchus Law Corporation and its other counsel, shall be at the cost of the Purchaser.

16.6 Tax elections

- (a) The Purchaser agrees to make joint election with the Vendor, subject to confirmation the Vendor is (i) a resident of Canada for purposes of the *Income Tax Act* (Canada) and not exempt from tax under Part I of the *Income Tax Act* (Canada), or (ii) a partnership, any member of which is a resident of Canada for the purposes of the *Income Tax Act* (Canada) (other than a partnership, all members of which that are residents of Canada and are exempt from tax under Part I of the *Income Tax Act* (Canada)) in respect of the disposition of the Vendor's Shares pursuant to Section 85 of the *Income Tax Act* (Canada) (or any similar provision of any provincial tax legislation).
- (b) The Purchaser further agrees that the agreed amount under such joint election shall be determined by the Vendor its sole discretion within the limits set out in the *Income Tax Act* (Canada). The Vendor will complete a Section 85 election form, providing the necessary information in accordance with the procedures set out in the tax instruction letter provided to the Vendor, and provide the election to the Purchaser for execution on or before 90 days after the Closing Date.
- (c) None of the Purchaser, the Company nor any successor corporation shall be responsible for the proper completion of any election form, except for the obligation to sign and return duly completed election forms that are received by the Purchaser within 90 days of the Closing Date, nor for any taxes, interest or penalties resulting from the failure of the Vendor to properly complete or file such election forms in the form and manner and within the time prescribed by the *Income Tax Act* (Canada) (or any applicable provincial legislation). In its sole discretion, the Purchaser or any successor corporation may choose to sign and return an election form received by it more than 90 days following the Effective Date, but will have no obligation to do so.

16.7 Applicable law.

This Agreement will be governed exclusively by and construed and enforced in accordance with the laws of British Columbia, Canada.

16.8 Further assurances.

The Parties hereby, jointly and severally, covenant and agree to forthwith, upon request, execute and deliver, or cause to be executed and delivered, such further and other deeds, documents, assurances and instructions as may be required by the Parties or their respective counsel in order to carry out the true nature and intent of this Agreement.

16.9 Invalid provisions.

If any provision of this Agreement is at any time unenforceable or invalid for any reason it will be severable from the remainder of this Agreement and, in its application at that time, this Agreement will be construed as though such provision was not contained herein and the remainder will continue in full force and effect and be construed as if this Agreement had been executed without the invalid or unenforceable provision.

16.10 Currency.

Unless otherwise stipulated, all payments required to be made pursuant to the provisions of this Agreement and all money amount references contained herein are in lawful currency of Canada.

16.11 Severability and construction.

Each Article, section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable, and if, for any reason, any portion of this Agreement is determined to be invalid, contrary to or in conflict with any applicable present or future law, rule or regulation in a final unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to any of the Parties is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible (all of which shall remain binding on the Parties and continue to be given full force and agreement as of the date upon which the ruling becomes final).

16.12 Captions.

The captions, section numbers, Article numbers and Schedule numbers appearing in this Agreement are inserted for convenience of reference only and shall in no way define, limit, construe or describe the scope or intent of this Agreement nor in any way affect this Agreement.

16.13 Counterparts.

This Agreement may be signed by the Parties in as many counterparts as may be necessary and, if required, by facsimile, each of which so signed being deemed to be an original, and such counterparts together shall constitute one and the same instrument and, notwithstanding the date of execution, will be deemed to bear the Effective Date as set forth on the front page of this Agreement.

16.14 Consents and waivers.

No consent or waiver expressed or implied by any Party in respect of any breach or default by any other Party in the performance by such other of its obligations hereunder shall:

- (a) be valid unless it is in writing and stated to be a consent or waiver pursuant to this section;
- (b) be relied upon as a consent to or waiver of any other breach or default of the same or any other obligation;
- (c) constitute a general waiver under this Agreement; or
- (d) eliminate or modify the need for a specific consent or waiver pursuant to this section in any other or subsequent instance.

[The balance of this page intentionally left blank]

IN WITNESS WHEREOF each of the Parties has signed this Agreement as of the Effective Date as set forth on the front page of this Agreement.

HIGHMARK MARKETING INC.

Per: _____
Authorized Signatory

BCBUD PRODUCERS INC.

Per: _____
Authorized Signatory

BLUE MOON ADVERTISING INC.

Per: _____
Authorized Signatory

SCHEDULE "A"

PURCHASED SHARES AND VENDOR

VENDOR NAME AND ADDRESS	NUMBER OF PURCHASED SHARES HELD	NUMBER OF CONSIDERATION SHARES ISSUED
Blue Moon Advertising Inc. 7164 120 Street, Surrey, British Columbia V3W 3M8	100	2,500,000
TOTAL:	100	2,500,000

SCHEDULE "B"

STOCK RESTRICTION AGREEMENT

This Agreement is dated effective ♦ (the "Effective Date")

BETWEEN

HIGHMARK MARKETING INC., a company incorporated under the laws of British Columbia with a mailing address at Suite 800, 1199 West Hastings Street Vancouver, B.C. V6E 3T5 and a registered office at 1820 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2

(the "Company");

AND

BLUE MOON ADVERTISING INC, a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "Shareholder")

WHEREAS:

- A. The Company entered into a share exchange agreement and the parties agreed that upon the final 2,000,000 common shares being released from escrow (the "**Final Escrow Release Date**"), the 2,000,000 common shares would be subject to restrictions pursuant to this Agreement.

NOW THEREFORE, in consideration of the mutual promises made in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

1. RESTRICTION ON TRANSFER OF STOCK

- 1.1 Transfer Restrictions. The Shareholder shall not, without the prior written consent of the Company (such permission not to be unreasonably withheld), directly or indirectly during the Term (as defined in Section 3), offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of the Stock or any securities convertible into or exchangeable or exercisable for shares of the Stock, or enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Stock, whether any such swap or transaction is to be settled by delivery of the Stock or other securities, in cash or otherwise.
- 1.2 Permitted Transfers. Notwithstanding anything to the contrary in this Agreement, the transfer restrictions set forth in Section 1.1 shall not apply to the transfer of any Vested Shares (as defined in Section 2) or to the following transfers of the Stock made or caused by the Shareholder:

- 1.2.1 a transfer of the Stock to any director, officer, employee or consultant of the Company;
- 1.2.2 a transfer of the Stock to the Company pursuant to a redemption initiated by the Company;
- 1.2.3 a transfer during the Shareholder's lifetime or on the Shareholder's death by will or intestacy to the Shareholder's beneficiaries or a trust for the benefit of the Shareholder's beneficiaries (for purposes of this Agreement, "beneficiary" means the Shareholder and the immediate family of the Shareholder, including any relation by blood, marriage or adoption and no remote than a first cousin); or
- 1.2.4 if the Shareholder is an entity, a transfer made as a distribution solely to a member, partner, or stockholder of such Shareholder.

Transfers made pursuant to this Section, with the exception of any transfer of Vested Shares, shall not be valid unless and until the transferee shall have executed a joinder to this Agreement and any other agreements reasonably required by the Company pursuant to which such transferee(s) agree to be bound by the terms and conditions of this Agreement.

2. VESTED SHARES

The term "Vested Shares" shall mean the securities vesting as follows:

Vesting Date	Proportion of Vested Shares
On the Final Escrow Release Date	1/10 of the Stock
6 months after the Final Escrow Release Date	1/6 of the remainder of the Stock
12 months after the Final Escrow Release Date	1/5 of the remainder of the Stock
18 months after the Final Escrow Release Date	1/4 of the remainder of the Stock
24 months after the Final Escrow Release Date	1/3 of the remainder of the Stock
30 months after the Final Escrow Release Date	1/2 of the remainder of the Stock
36 months after the Final Escrow Release Date	The remainder of the Stock

3. TERM

The term of this Agreement (the “**Term**”) shall begin on the Effective Date and shall terminate 36 months from the Final Escrow Release Date.

4. UNILATERAL AMENDMENT

The Shareholder expressly consents and agrees with the Company that the Company may effect a unilateral amendment to the vesting schedule set out in Section 2 in the event that the Exchange requires such an amendment in order to approve the Company’s common shares for listing, and in order for such amendment to take effect, the Company shall deliver or cause to be delivered to the Shareholder at its address set out on the cover page of this Agreement a notice of amendment setting out the replacement vesting schedule, with no further action necessary or required on the part of the Shareholder in order for such amendment to take effect as of the date specified by the Company in the notice of amendment.

5. VIOLATIONS OF TRANSFER RESTRICTIONS & REMEDIES

5.1 Stop Transfer Instructions. The Company shall give stop transfer instructions to the Company’s transfer agent against the transfer of any of the Stock except in compliance with this Agreement.

5.2 Violations. The Company will not be required to (a) transfer on its books any shares of Stock that have been transferred in violation of any of the provisions of this Agreement, or (b) treat as the owner of such shares of Stock, or accord the right to vote as such owner, or pay dividends to any transferee to whom such shares of Stock are purported to have been transferred in violation of any of the provisions of this Agreement.

5.3 Power of Attorney. The Shareholder hereby appoints the Company as the Shareholder’s attorney-in-fact with irrevocable power and authority in the name and on behalf of the Shareholder to take any action and execute all documents and instruments including, without limitation, stock powers which may be necessary to transfer the certificate (or certificates) evidencing the Stock to the appropriate person or entity upon a transfer being made in violation of this Agreement.

5.4 Injunctions & Other Remedies. The Shareholder acknowledges that the provisions of this Section 5 are reasonable and necessary for the protection of the Company’s business interests, irreparable injury will result to the Company if the Shareholder breaches any of the terms of the Agreement and, in the event of a breach of any terms of the Agreement, the Company will have no adequate remedy at law. The Shareholder further acknowledges that in the event of any actual or threatened breach by it of any provision of this Agreement, the Company shall be entitled to immediate temporary injunctive and other equitable relief, and without the necessity of showing actual monetary damages, subject to hearing as soon thereafter as possible.

6. ADJUSTMENTS TO STOCK

In the event of any merger, reorganization, consolidation, recapitalization, separation, liquidation, stock dividend, split-up, share combination, or other change in the corporate structure of Company affecting the Stock, the new securities replacing the Stock will be subject to all the conditions and restrictions applicable to the Stock pursuant to this Agreement.

7. IMPACT OF CORPORATE TRANSACTION

In the event of: (a) a sale of substantially all the assets of the Company; (b) a merger or consolidation in which the Company is not the surviving corporation (other than a merger or consolidation in which shareholders immediately before such transaction have, immediately after such transaction, greater stock voting power); (c) a merger in which the Company is the surviving corporation but the shares of the Company's common stock outstanding immediately preceding the merger are converted by virtue of the merger into other property, whether in the form of securities, cash, or otherwise (other than a reverse merger in which shareholders immediately before the merger have, immediately after the merger, greater stock voting power); (d) any transaction or series of related transactions in which in excess of 50% of the Company's voting power is transferred; or (e) the acquisition by the Company of financing equal to or in excess of an aggregate of \$10,000,000 (collectively, a "**Corporate Transaction**"), then immediately prior to effectiveness of such Corporate Transaction the restrictions set forth in this Agreement shall terminate as to all shares of Stock owned by the Shareholder immediately and without action by the Company or the Shareholder.

8. RIGHTS OF THE SHAREHOLDER

Except as otherwise provided herein, the Shareholder shall exercise all rights and privileges of a shareholder of the Company with respect to the Stock, and the Company shall list the Shareholder as a shareholder on its corporate registers and records.

9. RESTRICTIVE LEGENDS

All certificates representing the Stock shall have endorsed thereon a legend in substantially the following form (in addition to any other legend required by other agreements between the parties or applicable securities regulations):

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON SALE OR OTHER TRANSFER PURSUANT TO AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER (OR SUCH HOLDER'S PREDECESSOR IN INTEREST), A COPY OF WHICH IS ON FILE AT THE REGISTERED OFFICE OF THE COMPANY. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO THE AGREEMENT IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

10. MISCELLANEOUS

10.1 Successors and Assigns. This Agreement shall enure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer herein, be binding upon the Shareholder and its heirs, executors, successors and assigns.

10.2 Legal Fees & Specific Performance. The Shareholder shall reimburse the Company for all costs incurred by the Company in enforcing the performance of, or protecting its rights under, any part of this Agreement, including reasonable costs of investigation and legal fees. It is expressly agreed between the parties that money damages are inadequate to compensate the Company for the Stock and that the Company shall, upon forfeiture of Stock, be entitled to specific enforcement of its right to revoke said Stock.

- 10.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- 10.4 Independent Counsel. The Shareholder acknowledges that this Agreement has been prepared on behalf of the Company by legal counsel to the Company, and that the Company's legal counsel does not represent, and is not acting on behalf of, the Shareholder. The Shareholder has been advised and provided with an opportunity to consult with the Shareholder's own counsel with respect to this Agreement.
- 10.5 Entire Agreement & Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral. Except as provided in Section 4, this Agreement may not be amended, modified or revoked, in whole or in part, except by a written agreement signed by all the parties.
- 10.6 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.
- 10.7 Execution in Counterparts & Delivered Electronically. This Agreement may be executed in counterpart and delivered electronically, each of which so executed and delivered shall be deemed an original, all of which together shall constitute one instrument, and notwithstanding the date of execution shall be deemed to bear the date first above written.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date set out on the first page hereof.

HIGHMARK MARKETING INC.

Per:

Authorized Signatory

BLUE MOON ADVERTISING INC.

Per:

ADDENDUM #1 TO SHARE EXCHANGE AGREEMENT DATED AUGUST 5, 2014

Dated November 13, 2014

AMONG EACH OF:

HIGHMARK MARKETING INC., a company incorporated under the laws of British Columbia, and having a business address located at Suite 800, 1199 West Hastings Street, Vancouver, British Columbia, Canada V6E 3T5

(the "**Purchaser**")

AND

BCBUD PRODUCERS INC., a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "**Company**");

AND

BLUE MOON ADVERTISING INC., a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "**Vendor**");

(collectively, the "**Parties**")

WHEREAS:

- A. The Parties entered into a share exchange agreement dated August 5, 2014 (the "**Share Exchange Agreement**"); and
- B. Pursuant to Section 10.2 of the Share Exchange Agreement, the Parties have agreed to amend the Share Exchange Agreement by entering into this first Addendum Agreement to the Share Exchange Agreement (the "**Addendum Agreement**").

NOW THEREFORE the Parties agree that the Share Exchange Agreement be amended as follows:

1. Section 2.3 be deleted and replaced in its entirety with the following:

"On November 18, 2014, the Purchaser will issue the Application Shares to the Vendor, in acknowledgement of the receipt by the Company of a letter from Health Canada confirming submission of the Company's application to become a licensed producer pursuant to the MMPR. On the Closing Date, the Purchaser will issue the Ready to Build Shares and the License Shares to the Vendor. The issuances will be as set out in Schedule "A"."

2. The certificate representing the Application Shares will be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner:
“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE MARCH 19, 2015.”
3. The Application Shares will not be subject to the Escrow Agreement, as the event on which the Application Shares were to be released from escrow has already occurred.
4. All references to the Application Shares being subject to the Escrow Agreement be deleted.
5. The Parties acknowledge that the issuance of the Application Shares will occur prior to the Closing Date.
6. The Parties acknowledge that only the Ready to Build Shares and the License Shares will be issued by the Purchaser to the Vendor on the Closing Date.
7. All capitalized terms used and not otherwise described herein have the meaning assigned to such terms in the Share Exchange Agreement.
8. The reference to Schedule “A” is to Schedule “A” of the Share Exchange Agreement.
9. All other provisions of the Share Exchange Agreement shall remain unchanged and except as amended by this Addendum Agreement, the Share Exchange Agreement shall remain in full force and effect.
10. This Addendum Agreement may be executed in one or more counterparts and by electronic means, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Addendum Agreement to be duly executed as of the date first written above.

HIGHMARK MARKETING INC.

Per: “*Marc Branson*”
Authorized Signatory

BLUE MOON ADVERTISING INC.

Per: “*William J. Marshall*”
Authorized Signatory

BCBUD PRODUCERS INC.

Per: “*William J. Marshall*”
Authorized Signatory

ADDENDUM #2 TO SHARE EXCHANGE AGREEMENT DATED AUGUST 5, 2014

Effective dated _____, 2015

AMONG EACH OF:

HIGHMARK MARKETING INC., a company incorporated under the laws of British Columbia, and having a business address located at Suite 800, 1199 West Hastings Street, Vancouver, British Columbia, Canada V6E 3T5

(the "**Purchaser**");

AND

BCBUD PRODUCERS INC., a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "**Company**")

AND

BLUE MOON ADVERTISING INC., a company incorporated under the laws of British Columbia, and having a registered office at 7164 120 Street, Surrey, British Columbia, Canada V3W 3M8

(the "**Vendor**")

(collectively, the "**Parties**")

WHEREAS:

- A. The Parties entered into a share exchange agreement dated August 5, 2014 which was subsequently amended by the Parties on November 13, 2014 (the "**Share Exchange Agreement**").
- B. The Purchaser completed a 4-for-1 forward split of its common shares prior to closing the Share Exchange Agreement and the Parties wish to amend the Share Exchange Agreement to increase the number of common shares to be issued the Vendor to reflect the 4-for-1 forward split and the intention of the Parties at the time of entering the Share Exchange Agreement.
- C. Pursuant to Section 10.2 of the Share Exchange Agreement, the Parties have agreed to amend the Share Exchange Agreement by entering into this second addendum agreement to the Share Exchange Agreement (the "**Addendum Agreement**").

NOW THEREFORE the Parties agree that the Share Exchange Agreement be amended as follows:

1. The number of Ready to Build Shares be increased from 250,000 common shares to 1,000,000 common shares of the Purchaser.
2. The number of License Shares be increased from 2,000,000 common shares to 8,000,000 common shares of the Purchaser.
3. All references to 2,000,000 Consideration Shares be deleted and replaced with 8,000,000 Consideration Shares.
4. All capitalized terms used and not otherwise described herein have the meaning assigned to such terms in the Share Exchange Agreement.
5. All other provisions of the Share Exchange Agreement shall remain unchanged and, except as amended by this Addendum Agreement, the Share Exchange Agreement shall remain in full force and effect.
6. This Addendum Agreement may be executed in one or more counterparts and by electronic means, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Addendum Agreement to be duly executed as of the date first written above.

HIGHMARK MARKETING INC.

Per: _____
Authorized Signatory

BLUE MOON ADVERTISING INC.

Per: _____
Authorized Signatory

BCBUD PRODUCERS INC.

Per: _____
Authorized Signatory

SCHEDULE 3.1(m)
REGULATORY COMMUNICATION

SCHEDULE 5.1(a)(v)
ALPI CONSTRUCTION RELEASE

RELEASE

Alpi Construction Inc. (the "Releasor") for itself and its heirs, personal representatives, successors and assigns hereby releases, remises and forever discharges Highmark Marketing Inc. (the "Releasee") and its directors, officers, affiliates, successors and assigns of and from all actions, causes of action, suits, duties, debts, accounts, covenants, contracts, claims and demands whatsoever in nature and kind wherever and howsoever arising, in law or in equity, which the Releasor now has or hereafter can, shall or may have against the Releasee in respect of any matter or thing arising at or before the date hereof which have resulted from or may in any way arise out of the Releasee having been a shareholder, director, officer, employee, creditor or any combination thereof of BCBud Producers Inc. or its affiliates.

This Release shall enure to the benefit of the Releasee and its affiliates, directors, officers, successors, assigns and agents and shall be binding upon the heirs, personal representatives, successors, assigns, directors, officers, employees, agents, and shareholders of the Releasor.

The laws of the Province of British Columbia and the federal laws of the Canada applicable therein shall govern this Release and the Releasor irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia and any court with the jurisdiction to hear appeals therefrom. This instrument may be executed in counterparts and delivered by facsimile transmission or other means of electronic communication capable of producing a printed copy.

DATED October _____, 2015

IN WITNESS WHEREOF the Releasor has executed this Release intending it to be binding.

WITNESSED BY:)	
)	
_____)	Alpi Construction Inc.
Name)	
_____)	Per:
Address)	_____
_____)	Piero Ferronato
)	
_____)	
Occupation)	