

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“Agreement”) is made effective as of June 9, 2017, by and between Isodiol International Inc., a Canadian Limited Liability Company (“**Licensor**”) with its principal place of business located at 330-1275 Venables Street, Vancouver, BC V6A 2A9, Canada, and Canopy Growth Corporation (“**Licensee**”) with its principal place of business located at 1 Hershey Drive, Smiths Falls, Ontario, K7A 0A8.

BACKGROUND

- A. Licensor is the owner of certain intellectual property (“Licensed IP”) related to the production of products not containing cannabis, which are designed for the inclusion of cannabis. Licensor creates brands and products designed for use in geographic areas that allow hemp, and cannabis to be sold to legally recognized medical marijuana patients and recreational cannabis consumers. Licensor does not directly sell, produce or grow any form of cannabis.
- B. Licensee is the owner of all right, title, and interest in and to its intellectual property and produces and distributes certain cannabis strains and products.
- C. Licensee may enter into certain sub-licensing agreements with various parties to effectuate the purpose of this Agreement. Such sub-licensing agreements must be approved in writing by the Licensor which approval shall not be unreasonably withheld.
- D. Licensee desires to license from Licensor and, subject to the terms and conditions set forth herein, Licensor desires to license to Licensee, the right to use the Licensed IP (described in Schedule A) in connection with manufacturing, marketing, and selling infused beverages including, without limitation, coffee, tea, and cocoa as described in Schedule B (“**Licensed Products**”). Notwithstanding the foregoing, Licensor expressly acknowledges and agrees that Licensee has existing and well-established processes and related intellectual property to which it holds all right, title and interest (“**Licensee’s Processes**”), which Licensor, in connection with the formulations licensed hereunder, may want to provide advice with respect to.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants set forth herein, the parties hereto agree to the following terms and conditions:

1. GRANT OF LICENSE.

(a) Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee an exclusive license to use the Licensed IP described in Schedule B in the country of Canada (the “**Territory**”) for the following purposes during the Term (as defined below):

- i. to manufacture the Licensed Products in the Territory; and

- ii. to exercise commercially reasonable efforts to market and distribute or sell, in the Territory, the Licensed Products: (a) under the Licensor's brand; (b) as a co-branded line of products with Licensee; or (c) solely under the Licensee's brand, provided at least 50% of the available Licensed Products in the aggregate are branded under the Licensor's brand or as a co-branded line of products, via wholesale or retail channels, pursuant to the laws of Canada permitting and regulating the manufacture and sales of marijuana-infused products for recreational and/or medical marijuana manufacturing or distribution.

The Licensee shall have the right to sublicense the exclusive license described in this Section 1(a) to any Licensee's affiliate upon providing written notice to Licensor provided that Licensee shall continue to be responsible and liable for any and all acts or omissions of such affiliates. For the purposes of this Agreement, "affiliate" shall have the meaning ascribed to such term under the *Canada Business Corporations Act*. Notwithstanding the foregoing, Licensor shall be deemed to consent to the sublicense of the exclusive license to the following affiliates of Licensee, Tweed Inc. and Mettrum Ltd.

RIGHT OF FIRST REFUSAL. If Licensor desires to expand its Licensed Products or its Licensed IP outside of the Territory, Licensee shall be given the right of first refusal with respect to such expansion, with the exception of the following (the "Excluded Territories"): (i) the United States of America, Puerto Rico or Mexico and (ii) any jurisdiction whereby Licensor, by acquisition or merger, has directly or indirectly or through the resulting merged entity or otherwise the right to manufacture, sell or distribute the Licensed Products or products similar to the Licensed Products. Licensee shall not have any right to manufacture, market, sell or distribute Licensed Product into the Excluded Territories in any manner. Licensee must exercise its right of first refusal, by written notice to Licensee, within thirty (30) days immediately after receiving written notice by Licensor (the "**Notice by Licensor to Licensee**") of its receipt of an offer and the details of same (the "Right of First Refusal Exercise Period"). Licensee must commit, in writing, to have a full commercial launch in territories outside the Territory other than the Excluded Territories. The right of first refusal shall be forfeited by Licensee on the earlier of the following: (i) if Licensee elects not to exercise its right of first refusal or if Licensee fails to exercise its right of first refusal by the last day of the Right of First Refusal Period; or (ii) if Licensee has exercised its right of first refusal prior to the expiration of the Right of First Refusal Exercise Period as contemplated herein, however, Licensee fails to begin negotiations toward execution of an agreement after accepting Licensor's offer to do so without reasonable justification or excuse within thirty (30) days after exercising its right of first refusal hereunder; or (iii) Licensee fails to have manufacturing and distribution on a commercially viable scale of the Licensed Products in the territory applicable to the right of first refusal and be in a position to launch the Licensed Products therein by one hundred and fifty (150) days following Licensee's receipt of the Notice by Licensor to Licensee. Upon the forfeiture of the right of first refusal as contemplated in this Section 1(b), Licensor may enter into agreements with one or more other licensees for the expansions set forth in this Section. Any additional licensing agreements between Licensor and Licensee shall be subject to terms similar to those contained herein, including Payment as defined below.

(b) The parties acknowledge and agree that Licensee shall use the Licensed IP to manufacture, market, distribute, and/or sell the Licensed Products manufactured using the Licensed IP. Any and all goodwill arising from Licensee's use of the Licensed IP shall inure solely to the benefit of Licensor. Subject to sections a) and b) above, Licensee is authorized to assign or sublicense the rights granted under the License with the prior written consent of Licensor, which consent shall not be unreasonably withheld.

(c) As a condition of this Agreement, Licensee shall use the Licensed IP only as set forth in this Agreement, in compliance with all applicable federal, provincial, and local laws and regulations, and shall not knowingly use, or knowingly allow to be used, the Licensed IP in any manner which adversely affects the quality, value, brand, goodwill, or reputation of Licensor or its licensees other than Licensee in any way.

(d) Subject to Section 1(a)(ii)(c), Licensee shall not, directly or indirectly through any affiliate of Licensee, during the Term, manufacture, license, or distribute any product in the Territory, or in any expanded territory pursuant to the right of first refusal, that is similar to the Licensed Products, i.e. tea, coffee, and/or hot chocolate in single serving pods and K-Cup Style delivery systems.

(e) During the Term, each party shall have a limited license to use certain trademarks, trade names, and logos owned by the other party on the first party's website and other promotional materials subject to the other party's prior review and written approval and its branding guidelines as appropriate. This use is limited to identifying the other party as a client of the party.

2. TERM AND TERMINATION.

(a) The initial term of this Agreement shall commence upon the execution of this Agreement (the "**Effective Date**") and expire on the fifth anniversary of the Launch Date as defined below (the "**Initial Term**") unless terminated by either the Licensor or Licensee at least sixty (60) days prior to expiration of the Initial Term by written notice of termination to the other party.

(b) The Agreement shall renew automatically for successive one (1) year periods (each one year renewal period is a "Renewal Term" and collectively they are the "Renewal Terms", and the Renewal Terms together with the Initial Term, are the "**Term**") unless terminated by either the Licensor or Licensee at least sixty (60) days prior to expiration of any Renewal Term by written notice of termination to the other party.

(c) In the case of an Event of Default (as defined below) by either party, the non-defaulting party shall have the right to terminate this Agreement immediately upon the expiration of any cure period as further set out in Section 14.

(d) Upon the expiration or termination of this Agreement for any reason whatsoever, the following shall apply:

- (i) The expiration or termination of this Agreement shall not affect any rights accruing to any of the parties as of the expiration or termination;
- (ii) Licensee shall pay Licensor all fees and payments which are owing to Licensor hereunder;
- (iii) Both parties shall erase and destroy all copies of the confidential information in its control or possession, and
- (iv) Licensee and its affiliates shall forthwith cease using any licensed trademarks licensed to it by Licensor and shall forthwith refrain from holding itself out as being engaged by Licensor in respect of this Agreement, except as the parties may be otherwise expressly agreed in writing.

3. SERVICES, PRODUCT PACKAGING, AND RAW MATERIALS.

(a) During the Term, Licensor will provide to Licensee certain professional services (the “**Services**”) including providing input on development of the Licensed Products and use of the Licensed IP, training where requested by Licensee in (a) use of the Licensed IP; (b) appropriate marketing of the Licensed Products; and (c) any and all public-facing claims about the Licensed Products and the Licensed IP subject to Sections 9 and 10 of this Agreement. Licensee agrees to cooperate with Licensor in the performance of the Services, including providing materials, premises, and personnel as requested by Licensor acting reasonably.

(b) Licensor shall provide to Licensee, at Licensor’s sole cost, the packaging and raw materials required for Licensee’s initial product manufacturing research & development including coffees, teas, cocoa, other ingredients, and all packaging which shall not exceed 750 units.

(c) Once Licensee begins production of the Licensed Products, Licensor shall provide to Licensee product packaging and raw materials in accordance with the details set forth in Exhibit A to this Agreement. [Licensor shall consult and obtain approval from Licensee on product packaging for any co-branded Licensed Products between Licensor and Licensee.] Licensor agrees to provide the packaging and raw materials to Licensee at the pricing model detailed in Schedule C. The Licensor and Licensee agree to annual evaluations of the price of the product packaging and raw materials as set forth in Exhibit A based on market conditions, but in no event shall prices increase more than 3% per annum unless the market conditions on the raw materials reflect greater increases are required as may be reflected through projected increases in coffee commodity index located at <http://www.nasdaq.com/markets/coffee.aspx> or the coffee future prices index located at <http://futures.tradingcharts.com/marketquotes/KC.html>. The Licensee shall only purchase packaging and raw materials as set out herein from the Licensor, unless directed otherwise by the Licensor in writing.

(d) Licensee shall acquire certain equipment for the preparation of the Licensed Products. Licensee shall consult with Licensor and facilitate such acquisition. At the option of the Licensee, Licensor will acquire such certain equipment from the Licensee at the termination of this Agreement at the then fair market value of the equipment acting reasonably.

(e) Licensor represents and warrants that during the Term, the Licensed Products will be compatible with Keurig coffee pod machines, or other similar coffee pod machines representing a minimum of 60% of the Territory. In the event the Licensed Products cease to be compatible with pod machines representing a minimum of 60% of the Territory, Licensor acknowledges that shall be considered an Event of Default. Licensor shall have the right to confirm and determine, **within sixty (60) days after the delivery of Notice by Licensor to Licensee** the type of coffee machines used to brew and provide products that are applicable in any territory that is applicable to the right of first refusal herein.

4. MARKETING AND ADVERTISING. Licensor acknowledges the strict regulations with respect to marketing and advertising medical marijuana in Canada and understands that Licensee is limited in the marketing and advertising it can engage in given its role as a Licensed Producer in Canada. Licensee agrees to develop, produce, and distribute marketing materials for its own use (the “**Marketing Materials**”) and shall cover the costs associated with the development and execution of the Marketing Materials, including but not limited to print, digital, and radio. Licensee shall be the owner of all copyrights in and to any Marketing Materials developed for and in connection with the Licensed Products. Licensee and Licensor agree to receive prior written approval, not to be unreasonably withheld, before using each other’s trademarks, copyrights, or other intellectual property rights in the Marketing Materials. Licensor agrees to share Licensor’s existing marketing materials with Licensee upon Licensee’s request.

Subject to the Licensee’s prior written approval, Licensee grants Licensor the right to issue press releases regarding this Agreement and the relationship between the parties. Accordingly, as Licensee is a publicly traded company, Licensor recognizes that Licensee is obliged, by law, to issue press releases regarding certain material transactions and information, and as such, Licensor grants Licensee the right to issue press releases as Licensee sees fit, without prior approval, in order to comply with applicable laws and regulations.

5. DISTRIBUTION. Licensee shall use commercially reasonable efforts to distribute the Licensed Products consistent with all federal, provincial and local regulations. Distribution channels may include, without limitation, any retail partners or wholesale entities serving either the medical and/or recreational marijuana markets in the Canada, as determined in Licensee’s sole discretion (“**Distribution Channels**”), and only if these Distribution Channels are legally available to Licensee.

6. LAUNCH. The parties acknowledge and agree that the launch date is the date of first shipment of the Licensed Products using a Distribution Channel pursuant to Section 5 (“**Launch Date**”). Licensor acknowledges and agrees that it is necessary for Licensee to obtain all required approvals and licenses prior to the Launch Date, including without limitation all requisite licenses and regulatory approvals from Health Canada. The parties acknowledge and agree that the Launch Date shall be no later than six (6) months after the legislation and all requisite licenses and regulatory approvals from Health Canada allows for the licensed activities described herein to be carried out in the Territory. The parties shall work together on a best efforts basis to meet the Launch Date

7. INTENTIONALLY DELETED.

8. TAXES. Except for taxes based upon Licensor's income, Licensee is responsible for payment of all sales, use, gross receipts, excise, access, bypass, franchise, special district, and other local, provincial and federal taxes, fees, charges, or surcharges, however designated, imposed on or based upon the provision, sale or use of the Services (collectively, "**Taxes**"). Licensor's fees do not include any applicable Taxes. If Licensor is required to pay any Taxes based on or in connection with its performance of the Services under this Agreement (other than taxes based on Licensor's income), such Taxes shall be billed to and paid by Licensee as a reimbursable expense.

9. COMPLIANCE WITH LAW.

(a) Licensee and if applicable its sub-licensee(s) shall manufacture, market, and distribute the Licensed Products in strict compliance with the regulations and the relevant laws of the Territory or in any expanded territory pursuant to the right of first refusal (the "**Marijuana Laws**"). Licensee represents and warrants that manufacture, marketing, and distribution of the Licensed Products shall comply with all applicable Marijuana Laws of the Territory, and that Licensee and/or its sub-licensee(s) hold valid licenses to operate a marijuana processing business issued by Health Canada and such other federal, provincial and local licenses and/or permits necessary in connection with the operation of such business (collectively, the "**Facility Licenses**"), and that the manufacturing facility is a licensed premises as defined under local, provincial, and federal regulations.

(b) Each party agrees to notify the other party promptly of any regulatory action of which that party has knowledge that is taken in relation to either party by any federal, provincial, state, county, or municipal authority which relates to or affects the license, Licensor, Licensee's business, or the Facility Licenses.

(c) Licensor does not operate a marijuana-related business in Canada, and shall have no physical possession of marijuana products or the Licensed Products (except as permitted by the Marijuana Laws without necessity of a license), and nothing in this Agreement is intended to subject Licensor to the Marijuana Laws in Canada. In the event all or part of this Agreement is deemed (i) to be in violation of Marijuana Laws, as they exist now or may be modified in the future; or (ii) to require Licensor to obtain an entity or facility license in Canada under the Marijuana Laws, the parties agree to amend this Agreement to eliminate such non-compliance or obligation on the part of Licensor, or if such amendment is not feasible, in Licensor's sole discretion, Licensor may terminate this Agreement.

10. QUALITY STANDARDS.

(a) Licensee shall protect and maintain the Licensed IP by using the Licensed IP strictly in compliance with the terms of this Agreement and with Licensor's quality standards. Licensee agrees to

provide a designated representative of Licensor with a sample or a specimen of each Licensed Product upon Licensor's reasonable request.

(b) Licensor represents and warrants that all ingredients sourced by Licensor and supplied for the production of Licensed Products will be food grade ingredients and safe for human consumption.

(c) Licensor will supply all product production specifications in a document to be supplied to Licensee titled "Suppliers and Production Procedures Manual" (Schedule D) outlining proper ingredients, ratios and packaging standards. Licensee agrees to follow these specifications during the production of all Licensed Products.

(d) Nothing in this Agreement shall require either party to mail, ship, or otherwise transport the Licensed Products outside Canada. Licensor or its representative shall have the right, after reasonable written notice and in compliance with federal, provincial, and local regulations, and permission granted by Licensee, to enter the facility where the Licensed Products are manufactured during normal business hours to inspect the manufacture of the Licensed Products and any use of the Licensed IP in connection therewith for the purpose of determining the quality of the same. Any such designated representative shall be a person or entity permitted to be present within the facility under the Marijuana Laws.

(e) Licensor and Licensee shall not, and shall not permit, allow, or cause others, through any act, omission, right, or obligation, to tarnish, disparage, denigrate, degrade, or dilute the Licensed Products, use the Licensed Products in connection with any activity that is illicit, immoral, unethical, or would constitute or cause the existence of a violation of law by Licensee or Licensor, or would be harmful or damaging or potentially harmful or damaging to the reputation and goodwill of Licensee or Licensor. This section is a material provision of this Agreement.

11. CONFIDENTIAL INFORMATION.

(a) "**Confidential Information**" shall mean: (a) any information, recipes, know-how, data, process, technique, design, drawing, program, formula or test data, work in process, engineering, manufacturing, marketing, financial, sales, supplier, customer, employee, investor, or business information, whether in oral, written, graphic, or electronic form; and/or (b) any document, diagram, drawing, computer program or other communication which is either conspicuously marked "confidential," known or reasonably known by the other party to be confidential, or is of a proprietary nature and is learned or disclosed in the course of discussions, studies, or other work undertaken between the parties.

(b) Both parties and their respective employees and agents agree that during the period of their discussions and/or business relationship and so long as such information is not publicly known through no fault of the receiving party, the recipient of Confidential Information (defined below) will not at any time disclose to any person or use for its own benefit or the benefit of anyone, Confidential Information of the other party without the prior express written consent of said party.

(c) Prior to any permitted disclosure of any Confidential Information received by it from the other, the recipient will obtain from all consultants, and other parties such as sub-licensees, if applicable, it retains a written agreement to: (A) hold all Confidential Information in confidence and not to use such information for any purpose except as it relates to discussions between the parties or any subsequent business relationship between the parties; and (B) return all Confidential Information received immediately after consultant has completed its work to the party from whom said information was received and destroy any copies that were made of the Confidential Information.

(d) Neither party shall be liable for disclosure of Confidential Information if made in response to a valid order of a court or authorized agency of government, provided such party gives ten (10) days prior written notice to the other party to enable the other party to seek, if appropriate, a protective order in connection with such disclosure.

(e) Confidential Information shall not include information that: (a) is or becomes part of the public domain through no act or omission of the receiving party; (b) was in the receiving party's lawful possession prior to the disclosure and had not been obtained by the receiving party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the receiving party by a third party without restriction on disclosure or obligation of confidentiality to the disclosing party; (d) is independently developed by the receiving party; and/or (e) information required to be produced by court order or similar order, provided that the party whose confidential information is subject to the order has the opportunity to contest the disclosure. The obligations of this section shall survive termination or expiration of this Agreement.

12. CONFIDENTIALITY OF THE LICENSED INTELLECTUAL PROPERTY. Licensee acknowledges and agrees that the secret and proprietary formula and technology relating to products and procedures for the manufacture of Licensed Products and previously defined as the Licensed IP, is the property of Licensor and is secret and of value to Licensor. Licensee shall maintain the strict confidentiality of the Licensed IP ; shall not disclose the Licensed IP to any person or entity except those employees of Licensee responsible for producing the Licensed Products; shall require that any employees of Licensee to whom the Licensed IP is disclosed agree to maintain the confidentiality of the Licensed IP in accordance with this Agreement; shall not use the Licensed IP except to manufacture and produce the Licensed Products in accordance with this Agreement; and shall not create any other products or formulas derived from or based upon the Licensed IP without Licensor's prior written permission. For the avoidance of doubt, any reference made to the marketing, promotion, advertising, or public statements regarding the Licensed IP includes the obligation to maintain the secrecy and confidentiality of the Licensed IP. Upon termination of this Agreement, Licensee shall return or destroy, at Licensor's option, all copies of the Licensed IP in any medium whatsoever in Licensee's possession or control.

13. OWNERSHIP OF THE LICENSED INTELLECTUAL PROPERTY.

(a) Licensor represents and warrants that is the owner of all right, title, and interest in and to the Licensed IP, and that the Licensed IP does not infringe any third-party patent, trademark, copyright, or any other intellectual property or proprietary right, and does not misappropriate any third-party trade secret.

(b) Licensee shall not at any time do or cause to be done any act or thing which may in any way impair or contest any part of Licensor's right, title, and interest to the Licensed IP or assist any third party in doing so. In connection with the use of the Licensed IP, Licensee shall not in any manner represent that it has any ownership in or to the Licensed IP. Licensee acknowledges that use of the Licensed IP shall not create in Licensee any right, title, or interest in or to the Licensed IP and all use of the Licensed IP shall inure to the benefit of Licensor. This section is a material provision of this Agreement.

14. DEFAULT; REMEDY.

(a) Each of the following shall be an Event of Default:

(i) If Licensee has failed to make any payment due hereunder for a period of thirty (30) days following the due date therefore and does not cure such default within fifteen (15) days;

(ii) If Licensee fails to meet quality control measures with respect to the production of the Licensed Products; and Licensee fails to cure such quality issues within thirty (30) days of notice thereof;

(ii) If Licensee ceases to do business as a going concern;

(iii) If Licensee or Licensor otherwise breaches a provision of this Agreement and fails to cure such breach within thirty (30) days of notice thereof;

(iv) If Licensee has filed for bankruptcy or made an assignment for the benefit of creditors; or

(v) If Licensee's Facility Licenses or other permits required by the Marijuana Laws are terminated, revoked, or canceled.

(b) If an Event of Default has occurred that is uncured within the applicable cure periods set forth above, the non-breaching party may immediately terminate the Agreement. In the event Licensor terminates the Agreement pursuant to this section, Licensee shall immediately discontinue any use of the Licensed IP.

15. INDEMNIFICATION.

(a) Licensee agrees to defend, indemnify, and hold Licensor harmless from and against any and all claims, costs, expenses, losses, causes of action, damages, or liabilities, including but not limited to attorneys' fees and court costs (collectively "**Losses**") arising from the death or injury to any person or damage to any property arising out of or in any way connected with any breach or failure by Licensee to perform Licensee's obligations under this Agreement; provided, however, that Licensee shall not be responsible for losses arising from the negligent, willful, or reckless misconduct of Licensor or its employees, agents, or representatives, or from any breach or failure by Licensor to perform Licensor's obligations under this Agreement.

(b) Licensor agrees to defend, indemnify, and hold Licensee harmless from and against any and all claims, costs, expenses, losses, causes of action, damages, or liabilities, including but not limited to attorneys' fees and court costs (collectively "**Losses**") arising from or relating to the Licensed IP , or arising out of or in any way connected with any act or omission to act by Licensor's employees, agents or representatives or any breach or failure by Licensor to perform Licensor's obligations under this Agreement and/or any other agreement to which both Licensor and Licensee are parties; provided, however, that Licensor shall not be responsible for losses arising from the negligent, willful, or reckless misconduct of Licensee or its employees, agents, or representatives, or from any breach or failure by Licensee to perform Licensee's obligations under this Agreement.

(c) In connection with any claim arising hereunder, the indemnifying party may conduct the defense and have control of the litigation and settlement, provided that the indemnified party shall fully cooperate in defending against such claims. The indemnified party shall deliver prompt notice to the indemnifying party of any such claims.

(d) Notwithstanding the indemnification obligations hereunder, in no event shall either party be liable for any indirect, incidental, special, or consequential damages, or damages for loss of profits, revenue, data, or use, incurred or suffered by either party or any third party hereunder, whether in an action in contract or tort, even if the other party or any other person has been advised of the possibility of such damages.

16. NO WARRANTY. THE EXPRESS WARRANTIES IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, REGARDING THE LICENSED IP OR THE LICENSED PRODUCTS, INCLUDING ANY WARRANTIES OF MERCHANT ABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT OF THIRD PARTY RIGHTS.

17. NOTICES. Any notices required or permitted to be given under this Agreement shall be deemed sufficiently given if mailed by registered mail, postage prepaid, addressed to the party to be notified at its address set forth in the first paragraph above, or at such other address as may be furnished in writing to the notifying party.

18. ASSIGNMENT. Neither party may assign, sub-license, or otherwise transfer this Agreement without the prior written consent of the other party, including by operation of law except as provided below in this Section 18. Notwithstanding the foregoing, Licensor shall be entitled to assign, sell, convey or transfer this Agreement, in whole or in part, to any affiliate of Licensor or successor of Licensor without the consent of Licensee including, without limitation if such assignment, sale, conveyance or transfer is the result of merger, acquisition, consolidation, internal reorganization or amalgamation with another person or entity (in one transaction or a series of transactions) regardless of whether the foregoing occurs by share or asset purchase or combination of share or asset purchase transaction or a series of transactions. The parties acknowledge and agree that if the assignee is a party that is licensed producer of the Licensed Products in the Territory, Licensee shall upon written notice to Licensor have the right to terminate this Agreement provided that Licensee exercises such right to terminate within [thirty (30)] days of it has received written notice from Licensor of the completion of the transaction or series of transactions.

19. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties regarding the subject hereof and supersedes all prior or contemporaneous agreements, understandings, and communication, whether written or oral. This Agreement may be amended only by a written document signed by both parties.

20. DISPUTES.

(a) Arbitration. All claims and disputes (“**Disputes**”) that (i) are between Licensor and Licensee or their respective subsidiaries, parents, affiliates, officers, directors, and/or employees, and (ii) arise out of or relate to this Agreement or its subject matter, interpretation, performance, or enforcement, shall be finally resolved by arbitration by a single arbitrator in the province of Ontario in accordance with the provisions of the *Arbitration Act*, and judgment upon the award rendered by such arbitrator may be entered by any court having jurisdiction thereof. The arbitrator may, in appropriate cases, award interim and permanent injunctive relief and other remedies, but may not award punitive or exemplary damages. In the case of inconsistency between the provisions of this section and the *Arbitration Act*, the provisions of this section shall be controlling.

(b) Exceptions. Notwithstanding the above, the parties may bring court proceedings or claims against each other (a) as part of separate litigation commenced by an unrelated third party; (b) if not first sought from the arbitrator, solely to obtain in the province of Ontario preliminary injunctive relief or other interim remedies pending conclusion of the arbitration; or (c) to enforce this section or any award rendered hereunder.

(c) Choice of Law. The Agreement shall be deemed to have been executed and delivered within the province of Ontario, and the rights and obligations of the parties under the Agreement shall be construed and enforced in accordance with, and governed by, the laws of the Canada.

21. ATTORNEYS' FEES. In any action to enforce, arising under, and/or relating to this Agreement, the prevailing party, as determined by the arbitrator, court, or other body with jurisdiction by agreement of the parties shall be entitled to recover, in addition to all other remedies and awards to which it is entitled, its reasonable attorneys' fees and costs incurred in connection with such action.

22. INDEPENDENT CONTRACTORS. This Agreement does not create a partnership or joint venture, and will not be deemed to constitute an assignment of any rights of Licensor to Licensee other than as set forth herein. Licensee is an independent contractor, not an agent or employee of Licensor, and Licensor is not liable for any acts or omissions by Licensee. Neither party will have any right or authority to assume, create or incur any liability or obligation, express or implied, in the name or on behalf of the other party except to such extent as may expressly be set forth herein.

23. NO WAIVER. A failure by Licensor to exercise any right hereunder, or otherwise waive or condone any delay or failure by Licensee to comply with any of the terms or conditions of this Agreement will not constitute a continuing waiver of any such requirement or provisions of this Agreement or any rights of Licensor hereunder.

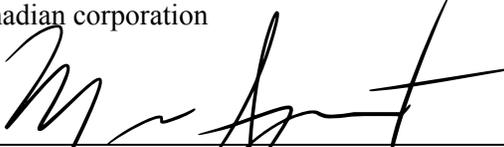
24. SEVERABILITY. If any provision of this Agreement is construed to be illegal or invalid by a court of competent jurisdiction, such construction shall not affect the legality or validity of any of the other provisions hereof, and all other provisions of this Agreement shall continue.

25. COUNTERPARTS. This Agreement may be executed in counterparts, each of which will be considered an original, but all of which together will constitute the same instrument. Facsimile or other electronic signatures will be considered as originals for all purposes.

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

LICENSOR:

ISODIOL INTERNATIONAL INC.
a Canadian corporation

By: 

Name: Marcos Agramont

Title: CEO

LICENSEE:

CANOPY GROWTH CORPORATION
a Canadian corporation

By: 

Name: Phil Shaer

Title: General Counsel

EXHIBIT A
PACKAGING

1. PRODUCTS. Once Licensee's work is in production, and agreed upon by the parties, Licensor will provide to Licensee the packages (the "**Packaging Units**") according to the following terms:

(a) Licensor agrees to provide high quality, ready to fill Packaging Units to Licensee in such quantities as required to meet Licensee's production demands as set forth in written purchase orders ("**Purchase Order**"). Nothing set forth herein shall require Licensor to pay for cost of goods related to filling and distributing the Packaging Units as the final, Licensed Products as referred to in the License Agreement ("**Final Products**"), all of which shall remain the responsibility of Licensee.

(b) Licensor shall ship the Packaging Units to Licensee not later than a number of to-be-mutually agreed-upon days after receipt of a Purchase Order. Licensee may, at its election, place a standing Purchase Order for Packaging Units by clearly indicating on a Purchase Order that the order shall be a "standing order" ("**Standing Order**").

(c) Licensee must report any deficiencies in the Packaging Units to Licensor in writing within sixty (60) days of receipt of the shipment about which such claim is being made. If Licensee fails to make a warranty claim within such 60-day period, Licensee will have waived all rights to make such claims and will be deemed to have fully accepted the Packaging Units. For any breach of the above warranty, Licensee's exclusive remedy, and Licensor's entire liability, shall be a replacement shipment of the same amount of Packaging Units. If Licensor is unable to ship an equivalent number of Packaging Units, Licensee shall be entitled to recover the fees paid to Licensor for the deficient Packaging Units but no other damages.

2. INTELLECTUAL PROPERTY.

(a) In accordance with the terms of the License Agreement, the Packaging Units shall bear Licensor's intellectual property identified in the License Agreement as Licensed IP and including but not limited to the trademark POT-O-COFFEE and other related marks owned by Licensor (the "**Marks**") and related packaging markings (together, the "**Trade Dress**"), all of which belong to Licensor. The Trade Dress shall appear on the Packaging Units in a manner to be determined in Licensor's sole discretion.

(b) Licensor shall have a limited license to use all trademarks, trade names, and logos owned by Licensee ("**Licensee's Materials**") in connection with this Exhibit A, subject to the direction of the Licensee relating to any such use. Specifically, Licensor shall have the right to identify Licensee as a Licensee of Licensor on Licensor's website and other promotional materials.

(c) Licensor represents and warrants it is the owner of all right, title and interest in and to the Marks, Trade Dress and any and all elements contained therein, as well as any other trademarks, service

marks, trade names, designs, copyrights, and related content other than Licensee's Materials that appear on the Packaging Units or any other material provided by Licensor to Licensee in connection with this Exhibit A. Licensee acknowledges that the sale, advertising, or other use of Licensor's intellectual property in connection with the Packaging Units shall not create in Licensee any right, title, or interest in or to Licensor's intellectual property. Licensee further agrees that it shall at no time adopt or use, without Licensor's prior written consent, any other word, mark, or designs which are, or are likely to be, confusingly similar to the Marks or the Trade Dress.

(d) In providing the Packaging Units, Licensor represents and warrants that it will use commercially reasonable efforts to deliver materials that do not infringe on the intellectual property rights, including copyrights, of any third party. Licensor will not knowingly provide any infringing materials to Licensee.

(e) **COMPLIANCE WITH LAWS.** Licensor shall have the sole responsibility for ensuring the Final Product complies with all federal, provincial, and local labeling laws that do not relate to cannabis. Licensee shall have the sole responsibility for ensuring the Final Product complies with all federal, provincial, and local labeling laws that do relate to cannabis. To the extent practical, Licensee and Licensor shall cooperate with one another in ensuring the Packaging Units and Final Products are in compliance with federal, provincial, and local labeling laws. Licensee retains the right to modify any Packaging Unit or Final Product in order to bring such package into compliance with local law.

(f) If the Final Product is recalled for any reason, Licensee shall bear the cost related to any such recall except if the recall is due to raw material provided by Licensor, then Licensor shall bear the cost related to any such recall.

3. COMPENSATION AND PAYMENT.

(a) Fees. The Packaging Units shall be provided to Licensee for the fees and other compensation as set forth in Schedule C to this Exhibit A. These fees may be updated on an annual basis with prior agreement by the parties, but in no event, shall prices increase more than 3% per annum.

(b) Expenses. All shipping costs related to the shipment of the Packaging Units from Licensor to Licensee shall be borne by Licensee.

(c) Payment. Unless otherwise expressly specified in the applicable Purchase Order, Licensor will invoice Licensee at the time a shipment of Packaging Units is sent for all fees, expenses, and other charges incurred under this Exhibit A and the relevant Purchase Order. Unless otherwise expressly specified in the applicable Purchase Order, payment on all invoices shall be due within thirty (30) days after the date of the invoice. Licensee may off-set any amounts that Licensor may owe Licensee against any of Licensor's invoices.

(d) Legal Fees. In the event of default in any payment due Licensor under the terms of this Exhibit A, and if it becomes necessary for Licensor to undertake legal action to collect such payment, Licensee shall pay for all reasonable legal fees and costs incurred by Licensor in connection therewith.

SCHEDULE A
LICENSED IP

EQUVEST

Intellectual Property

Operational Knowledge Compilation

Document Number: 2016-EQV-1.0-0201

Rev. 1.0

October 2016

Processes*

1. Extraction

- a. *Trans-Critical Gas Processes*
 - i. *CO2 extraction*
 - 1. *Co-solvent additions*
 - 2. *Method Control/Extraction Selectivity*
 - ii. *Propane/Butane and/or mixtures*
 - iii. *CFC's trans-critical processes*
- b. *Liquid Solvent Based Processes*
 - i. *Ethanol extractions*
 - ii. *Other solvents/mixtures*

2. Refinement

- a. *Centrifuge/Manual Separations*
 - i. *Vape Oil*
 - ii. *Dab Wax/Sap*
- b. *Ethanol/Other Solvent Winterization*
 - i. *Clarified Hash Oil*
- c. *Thin-Film Molecular Distillations/Fractionation*
 - i. *High Purity Refined Cannabinoids*
 - ii. *Truffle Butter oil etc.*

3. Compounding/Blends

- a. *Custom Cannabinoid Blending and Ratio Delivery*
 - i. *ex: 3:1 THC/CBD ratio formulations*
 - ii. *ex: 50 mg and THC 10mg CBD per dose exact*

4. Product Formulation

- a. *Infusions*
- b. *Tinctures*
 - i. *Ethanol*
 - ii. *Glycerine*
- c. *Food*
 - i. *Beverages*
 - (i) *Coffee*
 - (ii) *Tea*
 - (iii) *Cocoa*

* Licensor expressly acknowledges and agrees that many of the above described processes are already familiar to Licensee and, further, that many of the above described processes are proprietary to Licensee. However, Licensor may advise on such processes strictly with respect to its formulations licensed hereunder.

SCHEDULE B

LICENSED PRODUCTS

POT-O-COFFEE (THC)

Single serve K-Cups 10mg, 50mg 100mg dosage

POT-O-COFFEE (THC)

Single serve Filter Pod for Brewing 10mg, 50mg 100mg dosage

POT-O-COFFEE DECAFFEINATED (THC)

Single serve K-Cups 10mg, 50mg 100mg dosage

POT-O-COFFEE DECAFFEINATED (THC)

Single serve Filter Pod for Brewing 10mg, 50mg 100mg dosage

POT-O-TEA (THC)

Single serve K-Cup 10mg, 50mg, 100mg dosage

POT-O-TEA (THC)

Single serve Filter Pod for Brewing 10mg, 50mg, 100mg dosage

POT-O- TEA DECAFFEINATED (THC)

Single serve K-Cups 10mg, 50mg 100mg dosage

POT-O- TEA DECAFFEINATED (THC)

Single serve Filter Pod for Brewing 10mg, 50mg 100mg dosage

POT-O-COCO (THC)

Single serve K-Cup 10mg, 50mg, 100mg dosage

POT-O-COCO (THC)

Single serve Filter Pod for Brewing 10mg, 50mg, 100mg dosage

POT-O-COFFEE (CBD)

Single serve K-Cup 10mg

POT-O-COFFEE (CBD)

Single serve Filter Pod for Brewing 10mg

POT-O-COFFEE DECAFFEINATED (CBD)

Single serve K-Cups 10mg

POT-O-COFFEE DECAFFEINATED (CBD)
Single serve Filter Pod for Brewing 10mg

POT-O-TEA (CBD)
Single serve K-Cup 10mg

POT-O-TEA (CBD)
Single serve Filter Pod for Brewing 10mg

POT-O- TEA DECAFFEINATED (CBD)
Single serve K-Cups 10mg, dosage

POT-O- TEA DECAFFEINATED (CBD)
Single serve Filter Pod for Brewing 10mg, dosage

SCHEDULE C

PURCHASE PRICE

The Purchase Price provided here applies to Packaging Units sold on an “as is” basis; procurement and placement of required labeling language pursuant to local laws shall be the sole responsibility of Licensee.

(INSERT MATRIX)

SCHEDULE D

Suppliers and Production Procedures Manual

This will be added to this Agreement for use and review within 45 Days of signature