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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2022

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

Commission File Number **000-55450**

MEDICINE MAN TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Nevada	**46-5289499**
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)
4880 Havana Street **Suite 201** **Denver, Colorado**	**80239**
(Address of principal executive offices)	(Zip Code)

(303) 371-0387
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated Filer ☐	Accelerated Filer ☐
Non-accelerated Filer ☒	Smaller reporting company ☒
	Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 31, 2022, the Registrant had 54,741,506 shares of Common Stock outstanding.

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CAUTIONARY NOTE ABOUT FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact, including statements regarding our future results of operations and financial position, business strategy and plans, and objectives for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by the following words: "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "approximately," "estimate," "predict," "project," "potential," "continue," "ongoing," "become," "develop," "build," or the negative of these terms or other words of similar meaning in connection with a discussion of future events or future operating or financial performance, although the absence of these words does not necessarily mean that a statement is not forward-looking. Forward-looking statements are based upon our current assumptions, expectations and beliefs concerning future developments and their potential effect on our business. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may cause actual events or our actual results, performance or achievements to be materially different from the future events, results, performance or achievements expressed or implied by any forward-looking statements. There can be no assurance that future events, results, performance or achievements will be in accordance with our expectations or that the effect of future events, results, performance or achievements will be those anticipated by us.

Factors and risks that may cause or contribute to actual events, results, performance or achievements differing from these forward-looking statements include, but are not limited to, for example:

- regulatory limitations on our products and services;
- our ability to identify, consummate, and integrate anticipated acquisitions;
- general industry and economic conditions;
- our ability to access adequate capital upon terms and conditions that are acceptable to us;
- our ability to pay interest and principal on outstanding debt when due;
- volatility in credit and market conditions; and
- other risks and uncertainties related to the cannabis market and our business strategy.

We operate in very competitive and rapidly changing markets. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report on Form 10-Q may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Stockholders and potential investors should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements in this Quarterly Report on Form 10-Q are reasonable, we cannot assure stockholders and potential investors that these plans, intentions or expectations will be achieved.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. Considering these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place

undue reliance on these forward-looking statements. All subsequent written and oral forward-looking statements concerning other matters addressed in this Quarterly Report on Form 10-Q and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Quarterly Report on Form 10-Q.

All forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether because of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

Part I. FINANCIAL INFORMATION
Item 1. ***Condensed Financial Statements***

MEDICINE MAN TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 38,725,187	$ 106,400,216
Accounts receivable, net of allowance for doubtful accounts	5,176,200	3,866,828
Inventory	21,289,003	11,121,997
Note receivable - current, net	47,778	—
Marketable securities, net of unrealized loss of $42,353 and gain of $216,771, respectively	451,200	493,553
Prepaid expenses and other current assets	5,901,058	2,523,214
Total current assets	71,590,426	124,405,808
Non-current assets		
Fixed assets, net accumulated depreciation of $4,011,034 and $1,988,973, respectively	25,592,522	10,253,226
Goodwill	99,592,790	43,316,267
Intangible assets, net accumulated amortization of $13,960,457 and $7,652,750, respectively	111,073,948	97,582,330
Note receivable – noncurrent, net	—	143,333
Accounts receivable – litigation	290,648	303,086
Other noncurrent assets	1,457,646	514,962
Operating lease right of use assets	19,982,940	8,511,780
Total non-current assets	257,990,494	160,624,984
Total assets	$ 329,580,920	$ 285,030,792
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 5,756,736	$ 2,548,885
Accounts payable - related party	53,819	36,820
Accrued expenses	9,332,382	5,592,222
Derivative liabilities	6,818,053	34,923,013
Notes payable - related party	—	134,498
Lease liabilities - current	2,992,540	—
Current portion of long term debt	1,500,000	—
Income taxes payable	3,588,371	2,027,741
Total current liabilities	30,041,901	45,263,179
Long term debt, net of debt discount and issuance costs	122,889,447	97,482,468
Lease liabilities	17,763,177	8,715,480
Total long-term liabilities	140,652,624	106,197,948
Total liabilities	170,694,525	151,461,127
Stockholders' equity		
Preferred stock, $0.001 par value. 10,000,000 shares authorized; 86,994 shares issued as of September 30, 2022 and December 31, 2021, 84,304 outstanding at September 30, 2022 and 82,566 outstanding at December 31, 2021.	87	87
Common stock, $0.001 par value. 250,000,000 shares authorized; 56,069,212 shares issued and 54,741,506 shares outstanding at September 30, 2022 and 45,484,314 shares issued and 44,745,870 shares outstanding as of December 31, 2021.	56,069	45,485
Additional paid-in capital	179,723,367	162,815,097
Accumulated deficit	(18,902,450)	(27,773,968)
Common stock held in treasury, at cost, 886,459 shares held as of September 30, 2022 and 517,044 shares held as of December 31, 2021	(1,990,678)	(1,517,036)
Total stockholders' equity	**158,886,395**	**133,569,665**
Total liabilities and stockholders' equity	**$ 329,580,920**	**$ 285,030,792**

See accompanying notes to the condensed consolidated financial statements

MEDICINE MAN TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE (LOSS) AND INCOME
For the Periods Ended September 30, 2022 and 2021

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Operating revenues				
Retail	$ 39,759,734	$ 20,741,864	$ 104,386,464	$ 54,083,880
Wholesale	3,335,252	11,022,519	14,661,268	27,654,965
Other	96,000	70,922	184,200	165,416
Total revenue	43,190,986	31,835,305	119,231,932	81,904,261
Cost of goods and services				
Total cost of goods and services	17,226,451	16,779,313	57,173,192	44,692,765
Gross profit	25,964,535	15,055,992	62,058,740	37,211,496
Operating expenses				
Selling, general and administrative expenses	6,725,713	5,593,336	20,245,737	13,580,469
Professional services	1,626,909	752,572	5,729,339	4,466,696
Salaries	6,397,157	3,644,320	18,934,873	8,505,733
Stock based compensation	99,898	1,228,764	1,788,823	3,865,588
Total operating expenses	14,849,677	11,218,992	46,698,772	30,418,486
Income (loss) from operations	11,114,858	3,837,000	15,359,968	6,793,010
Other income (expense)				
Interest expense, net	(8,500,235)	(1,851,694)	(23,312,088)	(4,526,746)
Unrealized gain on derivative liabilities	4,816,668	356,824	28,104,960	967,751
Other income	—	—	20,400	—
Gain (loss) on sale of assets	—	(49,985)	—	242,494
Unrealized gain (loss) on investments	(28,541)	(10,572)	(42,353)	210,685
Total other income (expense)	(3,712,108)	(1,555,427)	4,770,919	(3,105,816)
Provision for income taxes	5,593,513	1,312,817	11,259,369	1,997,905
Net income	$ 1,809,237	$ 968,756	$ 8,871,518	$ 1,689,289
Less: Accumulated preferred stock dividends for the period	(1,784,113)	—	(5,294,132)	—
Net income attributable to common stockholders	$ 25,124	$ 968,756	$ 3,577,386	$ 1,689,289
Earnings (loss) per share attributable to common shareholders				
Basic earnings (loss) per share	$ 0.00	$ 0.02	$ 0.07	$ 0.04
Diluted earnings (loss) per share	$ 0.00	$ 0.02	$ 0.03	$ 0.03
Weighted average number of shares outstanding - basic	51,232,943	44,145,709	50,615,437	42,903,008
Weighted average number of shares outstanding - diluted	137,954,532	44,145,709	137,337,027	56,688,640

See accompanying notes to the condensed consolidated financial statements

MEDICINE MAN TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Nine Months Ended September 30, 2022 and 2021

	Preferred Stock		Common Stock		Additional Paid in	Accumulated	Treasury Stock		Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Shares	Cost	Equity
Balance, December 31, 2020	19,716	$ 20	42,601,773	$ 42,602	$ 85,357,835	$ (42,293,098)	432,732	$ (1,332,500)	$ 41,774,859
Net income (loss)	—	—	—	—	—	1,689,289	—	—	1,689,289
Issuance of stock as payment for acquisitions	20,240	20	2,213,994	2,214	25,617,766	—	—	—	25,620,000
Issuance of common stock as compensation to employees, officers and/or directors	—	—	323,530	324	680,538	—	—	—	680,862
Issuance of preferred stock in connection with sales made under private or public offerings	47,310	47	—	—	50,449,159	—	—	—	50,449,206
Dividends declared	—	—	—	—	—	(5,585,020)	—	—	(5,585,020)
Return of common stock	—	—	—	—	—	—	84,312	(184,536)	(184,536)
Stock based compensation expense related to common stock options	—	—	—	—	3,288,435	—	—	—	3,288,435
Balance, September 30, 2021	87,266	$ 87	45,139,297	$ 45,140	$ 165,393,733	$ (46,188,829)	517,044	$ (1,517,036)	$ 117,733,095

	Preferred Stock		Common Stock		Additional Paid in	Accumulated	Treasury Stock		Total Stockholders'
	Shares	Value	Shares	Value	Capital	Deficit	Shares	Cost	Equity
Balance, December 31, 2021	86,994	$ 87	45,484,314	$ 45,485	$ 162,815,097	$ (27,773,968)	517,044	$ (1,517,036)	$ 133,569,665
Net income (loss)	—	—	—	—	—	8,871,518	—	—	8,871,518
Issuance of stock as payment for acquisitions	—	—	9,508,872	9,509	15,090,549	—	—	—	15,100,058
Return of common stock as compensation to employees, officers and/or directors	—	—	565,501	564	243,443	—	—	—	244,007
Issuance of common stock as compensation to employees, officers and/or directors	—	—	510,525	511	762,381	—	—	—	762,892
Return of common stock	—	—	—	—	—	—	369,415	(473,642)	(473,642)
Stock based compensation expense related to common stock options	—	—	—	—	811,897	—	—	—	811,897
Balance, September 30, 2022	86,994	$ 87	56,069,212	$ 56,069	179,723,367	$ (18,902,450)	886,459	$ (1,990,678)	$ 158,886,395

See accompanying notes to the condensed consolidated financial statements

MEDICINE MAN TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Three Months Ended September 30, 2022 and 2021

	Preferred Stock		Common Stock		Additional Paid in	Accumulated	Treasury Stock		Total Stockholders'
	Shares	Value	Shares	Value	Capital	Deficit	Shares	Cost	Equity
Balance, June 30, 2021	87,266	$ 87	42,925,303	$ 42,925	$ 158,787,183	$ (45,373,480)	517,044	$ (1,517,036)	$ 111,939,679
Net income (loss)	—	—	—	—	—	968,756	—	—	968,756
Issuance of stock as payment for acquisitions	—	—	2,213,994	2,214	5,377,786	—	—	—	5,380,000
Issuance of common stock as compensation to employees, officers and/or directors	—	—	—	1	—	—	—	—	1
Dividends declared	—	—	—	—	—	(1,784,105)	—	—	(1,784,105)
Stock based compensation expense related to common stock options	—	—	—	—	1,228,764	—	—	—	1,228,764
Balance, September 30, 2021	87,266	$ 87	45,139,297	$ 45,140	$ 165,393,733	$ (46,188,829)	517,044	$ (1,517,036)	$ 117,733,095

	Preferred Stock		Common Stock		Additional Paid in	Accumulated	Treasury Stock		Total Stockholders'
	Shares	Value	Shares	Value	Capital	Deficit	Shares	Cost	Equity
Balance, June 30, 2022	86,994	$ 87	55,995,681	$ 55,996	$ 179,623,469	$ (20,711,687)	886,459	$ (1,990,678)	$ 156,977,187
Net income (loss)	—	—	—	—	—	1,809,237	—	—	1,809,237
Return of common stock as compensation to employees, officers and/or directors	—	—	(28,824)	(29)	—	—	—	—	(29)
Issuance of common stock as compensation to employees, officers and/or directors	—	—	102,355	102	99,898	—	—	—	100,000
Balance, September 30, 2022	86,994	$ 87	56,069,212	$ 56,069	$ 179,723,367	$ (18,902,450)	886,459	$ (1,990,678)	$ 158,886,395

See accompanying notes to the condensed consolidated financial statements

MEDICINE MAN TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Periods Ended September 30, 2022 and 2021

	For the Nine Months Ended September 30,	
	2022	**2021**
Cash flows from operating activities		
Net income (loss) for the period	8,871,518	1,689,289
Adjustments to reconcile net income to cash provided by (used in) operating activities		
Depreciation and amortization	8,329,767	7,779,828
Non-cash lease expense	493,782	—
Gain on change in derivative liabilities	(28,104,960)	(967,751)
Loss (gain) on investment, net	42,353	(210,685)
Gain loss on sale of asset	—	(292,479)
Stock based compensation	1,474,380	3,865,588
Changes in operating assets and liabilities (net of acquired amounts):		
Accounts receivable	(1,100,055)	(2,179,646)
Inventory	2,829,157	(3,034,246)
Prepaid expenses and other current assets	(2,616,732)	(1,964,835)
Other assets	(940,184)	(396,183)
Operating leases right of use assets and liabilities	75,295	114,129
Accounts payable and other liabilities	5,127,786	(568,387)
Deferred Revenue	—	(50,000)
Income taxes payable	1,560,630	1,029,482
Net cash provided by (used in) operating activities	(3,957,263)	4,814,104
Cash flows from investing activities:		
Collection of notes receivable	95,555	181,911
Cash consideration for acquisition of business	(92,701,905)	(71,927,071)
Purchase of fixed assets	(12,511,389)	(3,869,658)
Purchase of intangible assets	—	(29,580)
Net cash used in investing activities	(105,117,739)	(75,644,398)
Cash flows from financing activities:		
Proceeds from issuance of debt	22,473,938	45,344,578
Debt issuance and discount costs	4,433,042	—
Repayment of notes payable	—	(4,865,502)
Proceeds from issuance of common stock, net of issuance costs	14,492,993	50,282,797
Net cash provided by financing activities	41,399,973	90,761,874
Net increase (decrease) in cash and cash equivalents	(67,675,029)	19,931,580
Cash and cash equivalents at beginning of period	106,400,216	1,237,236
Cash and cash equivalents at end of period	**$ 38,725,187**	**$ 21,168,816**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 13,239,685	$ 3,862,970
Cash paid for income taxes	9,840,000	—
Supplemental disclosure of non-cash investing and financing activities:		
Issuance of common stock	510,525	—
Return of common stock	565,501	—
Issuance of stock as payment for acquisitions	9,508,872	—
Issuance of preferred stock in connection with private offerings	—	—

See accompanying notes to the condensed consolidated financial statements

MEDICINE MAN TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1. Organization and Nature of Operations

Medicine Man Technologies, Inc. ("we," "us," "our" or the "Company") was incorporated in Nevada on March 20, 2014. On May 1, 2014, we entered into a non-exclusive Technology License Agreement with Futurevision, Inc., f/k/a Medicine Man Production Corp., dba Medicine Man Denver ("Medicine Man Denver") pursuant to which Medicine Man Denver granted us a license to use all of the proprietary processes that it had developed, implemented and practiced at its cannabis facilities relating to the commercial growth, cultivation, marketing and distribution of medical and recreational marijuana pursuant to relevant state laws and the right to use and to license such information, including trade secrets, skills and experience (present and future) for 10 years.

The accompanying unaudited condensed consolidated financial statements have been prepared by the Company without audit pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted as allowed by such rules and regulations, and management believes that the disclosures are adequate to make the information presented not misleading. These unaudited consolidated financial statements include all of the adjustments, which in the opinion of management are necessary to a fair presentation of the Company's financial position and results of operations. All such adjustments are of a normal and recurring nature. Interim results are not necessarily indicative of results for a full year. These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements as of December 31, 2021 and 2020, as presented in the Company's Annual Report on Form 10-K filed on March 31, 2022 with the SEC.

In the opinion of management, the unaudited interim condensed consolidated financial statements reflect all adjustments necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented. All such adjustments, unless otherwise noted herein, are of a normal, recurring nature. The results of operations for the current interim period are not necessarily indicative of the results of operations to be expected for the full year.

Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no impact on the Company's net earnings and financial position.

On January 25, 2022, the Company acquired the assets BG3 Investments, LLC, dba Drift ("Drift"), and Black Box Licensing, LLC under the applicable asset purchase agreement.

On February 8, 2022, the Company acquired its New Mexico business under the terms of a Purchase Agreement, dated November 29, 2021, with Nuevo Holding, LLC and Nuevo Elemental Holding, LLC, both of which are indirect wholly-owned subsidiaries of the Company (collectively, the "Nuevo Purchasers"), Reynold Greenleaf & Associates, LLC ("RGA"), Elemental Kitchen and Laboratories, LLC ("Elemental"), the equity holders of RGA and Elemental, and William N. Ford, in his capacity as Representative, as amended on February 8, 2022 (the "Nuevo Purchase Agreement"). The Nuevo Purchasers acquired substantially all of the operating assets of RGA and all of the equity of Elemental and assumed specified liabilities of RGA and Elemental. Pursuant to existing laws and regulations in New Mexico, the cannabis licenses for certain facilities managed by RGA are held by two not-for-profit entities: Medzen Services, Inc. ("Medzen") and R. Greenleaf Organics, Inc. ("R. Greenleaf" and together with Medzen, the "NFPs"). At the closing, Nuevo Holding, LLC gained control over the NFPs by becoming the sole member of each of the NFPs and replacing the directors of the two NFPs with Justin Dye, the Company's Chief Executive Officer and one of its directors, Nancy Huber, the Company's Chief Financial Officer, and Dan Pabon, the Company's General Counsel, Chief Government Affairs Officer and Corporate Secretary. The business acquired from RGA consists of serving as a branding, marketing and consulting company, licensing certain intellectual property related to the business of THC-based products to Elemental and the NFPs, providing consulting services to Elemental and the NFPs, and supporting Elemental and the NFPs to promote, support, and develop sales and distribution of products. Elemental is engaged in the business of creating and distributing cannabis-derived products to licensed cannabis producers. Elemental and the NFPs are in the business of cultivating, processing and dispensing marijuana in New Mexico, with 10 dispensaries, four cultivation facilities (three operating and one under development) and one manufacturing facility. The dispensaries are located in Albuquerque, Santa Fe, Roswell, Las Cruces,

Grants and Las Vegas, New Mexico. The cultivation and manufacturing facilities are located in Albuquerque, New Mexico and consists of approximately 70,000 square feet of cultivation and 6,000 square feet of manufacturing. On the same date, Nuevo Holding, LLC entered into two separate Call Option Agreements containing substantially identical terms with each of the NFPs. Each Call Option Agreement gives Nuevo Holding, LLC the right to acquire 100% of the equity or 100% of the assets of the applicable NFP for a purchase price of $100 if, in the future, the New Mexico legislature adopts legislation that permits a NFP to (i) convert to a for-profit corporation and maintain its cannabis license or (ii) sell its assets (including its cannabis license) to a for-profit corporation. The aggregate closing consideration for the acquisitions was approximately (i) $27.7 million in cash, and (ii) $17.0 million in the form of an unsecured promissory note issued by Nuevo Holding, LLC to RGA, the principal amount of which is payable on February 8, 2025 with interest payable monthly at an annual interest rate of 5%. The Nuevo Purchasers issued an "earn-out" payment of $4.5 million in cash to RGA and William N. Ford (as Representative) based on the EBITDA of the acquired business for calendar year 2021.

On February 9, 2022, the Company acquired MCG, LLC and its four wholly-owned subsidiaries (collectively, "MCG") pursuant to the terms of an Agreement and Plan of Merger, dated November 15, 2021, with Emerald Fields Merger Sub, LLC, a wholly-owned subsidiary of the Company, MCG, MCG's owners, and Donald Douglas Burkhalter and James Gulbrandsen in their capacity as the Member Representatives, as amended on February 9, 2022.

On February 15, 2022, Double Brow, LLC, a wholly owned subsidiary of the Company ("Double Brow") acquired substantially all of the operating assets of Brow 2, LLC ("Brow") related to its indoor cannabis cultivation operations located in Denver, Colorado (other than assets expressly excluded) and assumed certain liabilities for contracts acquired pursuant to the terms of the Asset Purchase Agreement, dated August 20, 2021, among Double Brow, Brow, and Brian Welsh, as the owner of Brow.

On March 17, 2022, the Company announced that its Common Stock was approved for listing on the NEO, a tier one Canadian Stock exchange based in Toronto, Ontario. The Common Stock began trading on the NEO on March 23, 2022.

On May 31, 2022, the Company acquired substantially all of the operating assets of Urban Health & Wellness, Inc d/b/a Urban Dispensary ("Urban Dispensary") pursuant to the terms of an Asset and Personal Goodwill Purchase Agreement, dated March 11, 2022, with Double Brow, Urban Dispensary, Productive Investments, LLC, and Patrick Johnson. Urban Dispensary operates an indoor cannabis cultivation facility and a single retail dispensary, each located in Denver, Colorado.

On July 13, 2022, the Company entered into a strategic relationship with Mission Holdings US, Inc. ("Mission Holdings"), an entity affiliated with MCG, by purchasing a non-controlling equity interest in Mission Holdings. Mission Holdings offers various products and brands, including proprietary cannabis infused gummies and premium flower for medical and recreational sale in Colorado and California. The Company has the right to acquire 100% of the equity interest in Mission Holdings on or after the three-year anniversary of the investment.

2. Critical Accounting Policies and Estimates

Inventory

Inventory of purchased finished goods and packing materials are initially valued at cost and subsequently at the lower of cost and net realizable value. Costs incurred during the growing and production process are capitalized as incurred to the extent that cost is less than net realizable value. These costs include materials, labor and manufacturing overhead used in the growing and production processes.

Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost is determined using the average lot cost. Products for resale and supplies and consumables are valued at lower of cost and net realizable value. The Company reviews inventory for obsolete, redundant and slow-moving goods and any such inventories are written down to net realizable value. There were no reserves for obsolete inventory as of September 30, 2022 and December 31, 2021.

3. Notes Receivable

On March 12, 2021, the Company sold equipment to Colorado Cannabis Company LLC ("Colorado Cannabis"). Colorado Cannabis is obligated to pay $215,000, payable in equal monthly installments for 18 months commencing 30 days from the date of taking possession of the equipment pursuant to the Purchase and Sale Agreement, dated January 29, 2021, between the Company and Colorado Cannabis. As of September 30, 2022, the outstanding balance, including penalties for late payments, on the receivable from Colorado Cannabis totaled $47,778.

4. Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation and are comprised of the following:

	September 30, 2022	December 31, 2021
Furniture and fixtures	$ 719,308	$ 300,798
Leasehold improvements	6,441,179	853,599
Vehicles, machinery, and tools	3,589,889	2,152,129
Land	931,506	35,000
Software, servers and equipment	4,287,881	2,550,154
Building	4,830,976	2,910,976
Construction in process	8,802,817	3,439,543
Total Asset Cost	**$ 29,603,556**	**$ 12,242,199**
Less: Accumulated depreciation	(4,011,034)	(1,988,973)
Total property and equipment, net of depreciation	**$ 25,592,522**	**$ 10,253,226**

Depreciation on equipment is provided on a straight-line basis over its expected useful lives at the following annual rates.

Furniture and fixtures	3-5 years
Leasehold improvements	Lesser of the lease term or estimated useful life
Vehicles, machinery and tools	3-5 years
Land	Indefinite
Software, servers and equipment	3 years
Building	39 years

Depreciation expense for the three and nine months ended September 30, 2022 was $798,354 and $2,022,061, respectively and $364,399 and $818,174 for the three and nine months ended September 30, 2021, respectively.

Construction in process represents build out of the Company's cultivation operations based in Colorado and New Mexico. The amount represents the "invoiced to date" construction costs and includes general contractor fees, construction materials, construction labor and other items.

5. Intangible Asset

Intangible assets as of September 30, 2022 and December 31, 2021 were comprised of the following:

	September 30, 2022		December 31, 2021	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
License Agreements	$ 112,475,280	$ (10,399,917)	$ 94,230,280	$ (5,496,902)
Tradename	6,024,325	(1,561,167)	4,560,000	(845,667)
Customer Relationships	5,150,000	(1,290,476)	5,150,000	(933,690)
Non-compete	1,295,000	(675,972)	1,205,000	(348,056)
Product License and Registration	57,300	(20,828)	57,300	(17,963)
Trade Secret	32,500	(12,097)	32,500	(10,472)
Total	$ 125,034,405	$ (13,960,457)	$ 105,235,080	$ (7,652,750)

Amortization expense for the three and nine months ended September 30, 2022 was $2,030,012 and $6,307,706, respectively and $2,609,987 and $6,961,654 for the three and nine months ended September 30, 2021, respectively.

	Amortization Expense
Aggregate for year ended 12/31/2022	$ 8,774,887
Estimated for year ended 12/31/2023	9,842,054
Estimated for year ended 12/31/2024	9,520,667
Estimated for year ended 12/31/2025	9,412,888
Estimated for year ended 12/31/2026	8,638,056
Estimated for year ended 12/31/2027	8,330,329
Thereafter	56,555,067
Total	$ 111,073,948

6. Derivative Liability

Investor Note

On December 3, 2021, the Company and its subsidiaries, as guarantors (the "Subsidiary Guarantors") entered into a Securities Purchase Agreement with 31 accredited investors (the "Note Investors") pursuant to which the Company agreed to issue and sell to the Note Investors 13% senior secured convertible notes due December 7, 2026 (the "Investor Notes") in an aggregate principal amount of $95,000,000 for an aggregate purchase price of $93,100,000 (reflecting an original issue discount of $1,900,000, or 2%) in a private placement. On December 7, 2021, the Company consummated the private placement and issued and sold the Investor Notes pursuant to the Indenture entered into among the Company, the Subsidiary Guarantors, Chicago Atlantic Admin, LLC, as collateral agent, and Ankura Trust Company, LLC, as trustee (as may be supplemented and/or amended from time to time, the "Indenture"). The Company received net proceeds of approximately $92,000,000 at the closing, after deducting a commission to the placement agent and estimated offering expenses associated with the private placement payable by the Company. The Investor Notes will mature five years after issuance unless earlier repurchased, redeemed, or converted pursuant to the Indenture. The Investor Notes bear interest at 13% per year paid quarterly commencing March 31, 2022 in cash for an amount equal to the amount payable on such date

as if the Investor Notes were subject to an annual interest rate of 9%, with the remainder of the accrued interest payable as an increase to the principal amount of the Investor Notes.

A reconciliation of the beginning and ending balances of the derivative liabilities for the periods ended September 30, 2022 and December 31, 2021 were as follows:

Balance as of January 1, 2021	**$**	**—**
Fair value of derivative liabilities on issuance date		48,936,674
Gain on derivative liability		(14,013,661)
Balance as of December 31, 2021	**$**	**34,923,013**
Loss on derivative liability		13,417,472
Balance as of March 31, 2022	**$**	**48,340,485**
Gain on derivative liability		(36,705,764)
Balance as of June 30, 2022	**$**	**11,634,721**
Gain on derivative liability		(4,816,668)
Balance as of September 30, 2022	**$**	**6,818,053**

The Company accounts for derivative instruments in accordance with the GAAP accounting guidance under ASC 815 *Derivatives and Hedging Activities*. In accordance with GAAP, a contract to issue a variable number of equity shares fails to meet the definition of equity and must instead be classified as a derivative liability and measured at fair value with changes in fair value recognized in the consolidated statements of operations at each period-end. The Company utilizes a Monte Carlo simulation in determining the appropriate fair value. The derivative liability will ultimately be converted into the Company's equity when the Investor Notes are converted or will be extinguished on the repayment of the Investor Notes. The derivative liability will not result in the outlay of any additional cash by the Company. Upon initial recognition, the Company recorded a derivative liability and debt discount of $48,936,674 in relation to the derivative liability portion of the Investor Notes. The Company recorded $1,915,403 and $5,505,420 for the three and nine months ended September 30, 2022, respectively, in amortization related to the debt discount.

7. Related Party Transactions

Transactions Involving Former Directors, Executive Officers or Their Affiliated Entities

During the year ended December 31, 2019, the Company made loans to MedPharm Holdings LLC ("MedPharm") totaling $767,695 evidenced by promissory notes with original maturity dates ranging from September 21, 2019 through January 19, 2020 and all bearing interest at 8% per annum. On August 1, 2020, the Company entered into a Settlement Agreement and Mutual Release (the "Settlement Agreement") with MedPharm pursuant to which (i) the parties agreed that the outstanding amount owed by MedPharm to the Company was $767,695 of principal and $47,161 in accrued and unpaid interest, (ii) MedPharm paid the Company $100,000 in cash, (iii) Andrew Williams returned 175,000 shares of Common Stock to the Company, as partial repayment of the outstanding balance at a value of $1.90 per share. These shares are held in treasury. The remaining outstanding principal and interest of $181,911 due and payable by MedPharm under the Settlement Agreement was to be paid out in bi-weekly installments of product by scheduled deliveries through September 30, 2021. This amount was paid off on April 19, 2021.

Transactions with Entities Affiliated with Justin Dye

The Company has participated in several transaction involving Dye Capital, Dye Capital Cann Holdings, LLC ("Dye Cann I") and Dye Capital Cann Holdings II, LLC ("Dye Cann II"). Justin Dye, the Company's Chief Executive Officer, one of its directors, and the largest beneficial owner of Common Stock and Preferred Stock, controls Dye Capital and Dye Capital controls Dye Cann I and Dye Cann II. Dye Cann I is the largest holder of the Company's outstanding Common Stock. Dye Cann II is a significant holder of our Preferred Stock. Mr. Dye has sole voting and dispositive power over the securities held by Dye Capital, Dye Cann I, and Dye Cann II.

The Company entered into a Securities Purchase Agreement with Dye Cann I on June 5, 2019, (as amended, the "Dye Cann I SPA") pursuant to which the Company agreed to sell to Dye Cann I up to between 8,187,500 and 10,687,500 shares of Common Stock in several tranches at $2.00 per share and warrants to purchase 100% of the number of shares of Common Stock sold at a purchase price of $3.50 per share. At the initial closing on June 5, 2019, the Company sold to Dye Cann I 1,500,000 shares of Common Stock and warrants to purchase 1,500,000 shares of Common Stock for gross proceeds of $3,000,000, and the Company has consummated subsequent closings for an aggregate of 9,287,500 shares of Common Stock and warrants to purchase 9,287,500 shares of Common Stock for aggregate gross proceeds of $18,575,000 to the Company. The terms of the Dye Cann I SPA are disclosed in the Company's Current Report on Form 8-K filed on June 6, 2019. The Company and Dye Cann I entered into a first amendment to the Dye Cann I SPA on July 15, 2019, as described in the Company's Current Report on Form 8-K filed on July 17, 2019, a second amendment to the Dye Cann I SPA on May 20, 2020, as described in the Company's Current Report on Form 8-K filed on May 22, 2020, and a Consent, Waiver and Amendment on December 16, 2020, as described in the Company's Current Report on Form 8-K filed on December 23, 2020. At the time of the initial closing under the Dye Cann I SPA, Justin Dye became a director and the Company's Chief Executive Officer.

The Company granted Dye Cann I certain demand and piggyback registration rights with respect to the shares of Common Stock sold under the Dye Cann I SPA and issuable upon exercise of the warrants sold under the Dye Cann I SPA. The Company also granted Dye Cann I the right to designate one or more individuals for election or appointment to the Company's board of directors (the "Board") and Board observer rights. Further, under the Dye Cann I SPA, until June 5, 2022, if the Company desires to pursue debt or equity financing, the Company must first give Dye Cann I an opportunity to provide a proposal to the Company with the terms upon which Dye Cann I would be willing to provide or secure such financing. If the Company does not accept Dye Cann I's proposal, the Company may pursue such debt or equity financing from other sources but Dye Cann I has a right to participate in such financing to the extent required to enable Dye Cann I to maintain the percentage of Common Stock (on a fully-diluted basis) that it then owns, in the case of equity securities, or, in the case of debt, a pro rata portion of such debt based on the percentage of Common Stock (on a fully-diluted basis) that it then owns. The warrants granted to Dye Cann I pursuant to the Dye Cann I SPA expired on June 5, 2022.

The Company entered into a Securities Purchase Agreement (as amended, the "Dye Cann II SPA") with Dye Cann II on November 16, 2020 pursuant to which the Company agreed to sell to Dye Cann II shares of Preferred Stock in one or more tranches at a price of $1,000 per share. The terms of the Dye Cann II SPA are disclosed in the Company's Current Report on Form 8-K filed on December 23, 2020. The Company and Dye Cann II entered into an amendment to the Dye Cann II SPA on December 16, 2020, as described in the Company's Current Report on Form 8-K filed on December 23, 2020, a second amendment to the Dye Cann II SPA on February 3, 2021, as described in the Company's Form 8-K filed on February 9, 2021, and a third amendment to the Dye Cann II SPA on March 30, 2021, as described under Item 9B of the Company's Annual Report on Form 10-K for the year ended December 31, 2021. The Company issued and sold to Dye Cann II 7,700 shares of Preferred Stock on December 16, 2020, 1,450 shares of Preferred Stock on December 18, 2020, 1,300 shares of Series Preferred Stock on December 22, 2020, 3,100 shares of Preferred Stock on February 3, 2021, 1,300 shares of Preferred Stock on February 25, 2021, 2,500 shares of Preferred Stock on March 2, 2021 and 4,000 shares of Preferred Stock on March 30, 2021. As a result, the Company issued and sold an aggregate of 21,350 shares of Preferred Stock to Dye Cann II for aggregate gross proceeds of $21,350,000.

The Company granted Dye Cann II certain demand and piggyback registration rights with respect to the shares of Common Stock issuable upon conversion of the Preferred Stock under the Dye Cann II SPA. Further, the Company granted Dye Can II the right to designate one or more individuals for election or appointment to the Board and Board observer rights.

On December 16, 2020, the Company entered into a Secured Convertible Note Purchase Agreement with Dye Capital and issued and sold to Dye Capital a Convertible Note and Security Agreement in the principal amount of $5,000,000 as described in the Company's Current Report on Form 8-K filed on December 23, 2020. On February 26, 2021, Dye Capital elected to convert the $5,000,000 principal amount and the $60,250 of accrued but unpaid interest under the Convertible Promissory Note and Security Agreement under its terms and Dye Capital and the Company entered into a Conversion Notice and Agreement pursuant to which the Company issued 5,060 shares of Preferred Stock to Dye Capital and also paid Dye Capital $230.97 in cash in lieu of issuing any fractional shares of Series Preferred Stock upon conversion, as described in the Company's Current Report on Form 8-K filed on March 4, 2021.

The Company previously reported the terms of the Preferred Stock in the Company's Current Report on Form 8-K filed on December 23, 2020.

During the year ended December 31, 2021 the Company recorded expenses of $214,908 with Tella Digital. As of September 30, 2022, the Company recorded expenses of $254,136 with Tella Digital. Tella Digital provides on-premise digital experience solutions for our retail dispensary locations. Mr. Dye is an indirect partial owner of and serves as Chairman of Tella Digital. Nirup Krishnamurthy, the Company's President and one of its directors, is also an indirect partial owner of Tella Digital.

Transactions with Entities Affiliated with Jeffrey Cozad

On February 26, 2021, the Company entered into a Securities Purchase Agreement (the "CRW SPA") with CRW Cann Holdings, LLC ("CRW") pursuant to which the Company issued and sold 25,350 shares of Preferred Stock to CRW at a price of $1,000 per share for aggregate gross proceeds of $25,350,000. The transaction made CRW a beneficial owner of more than 5% of Common Stock. The Company granted CRW certain demand and piggyback registration rights with respect to the shares of Common Stock issuable upon conversion of the Preferred Stock under the CRW SPA. On the same date, the Company entered into a letter agreement with CRW, granting CRW the right to designate one individual for election or appointment to the Board and Board observer rights. Under the letter agreement, for as long as CRW has the right to designate a Board member, if the Company, directly or indirectly, plans to issue, sell or grant any securities or options to purchase any of its securities, CRW has a right to purchase its pro rata portion of such securities, based on the number of shares of Preferred Stock beneficially held by CRW on the applicable date on an as-converted to Common Stock basis divided by the total number of shares of Common Stock outstanding on such date on an as-converted, fully-diluted basis (taking into account all outstanding securities of the Company regardless of whether the holders of such securities have the right to convert or exercise such securities for Common Stock at the time of determination). Further, under the letter agreement, the Company paid CRW Capital, LLC, the sole manager of CRW and a holder of a carried interest in CRW, a monitoring fee equal to $150,000 in monthly installments of $12,500. The Company paid CRW a monitoring fee of $125,000 during 2021 and $25,000 in monitoring fees as of September 30, 2022. On March 14, 2021, the Board appointed Jeffrey A. Cozad as a director to fill a vacancy on the Board. Mr. Cozad is a manager and owns 50% of CRW Capital, LLC, and he shares voting and disposition power over the shares of Preferred Stock held by CRW. Mr. Cozad and his family members indirectly own membership interests in CRW. The Company previously reported the terms of the CRW SPA and the CRW letter agreement in the Company's Current Report on Form 8-K filed March 4, 2021.

On December 7, 2021, the Company entered into a Securities Purchase Agreement with Cozad Investments, L.P. pursuant to which the Company issued an Investor Note in the aggregate principal amount of $250,000 to Cozad Investments, L.P. for $245,000 in cash. The Investor Note bears interest at 13% per year payable quarterly commencing March 31, 2022 in cash for an amount equal to the amount payable on such date as if the Investor Note was subject to an annual interest rate of 9% with the remainder of the accrued interest payable as an increase to the principal amount of the Note. Mr. Cozad is a manager of CRW, majority owner of Cozad Investments, L.P., and a member of the Board.

On May 4, 2022, and June 14, 2022, the Company issued 40,463 shares of Common Stock and 22,728 shares of Common Stock, respectively, to Mr. Cozad as compensation for service on the Board. These shares are valued at $70,001 and $35,001 for May and June 2022, respectively.

Transactions with Entities Affiliated with Marc Rubin

On February 26, 2021, the Company entered into the CRW SPA with CRW, of which Marc Rubin is a beneficial owner. Pursuant to the CRW SPA, the Company issued and sold 25,350 shares of Series A Preferred Stock to CRW at a price of $1,000 per share for aggregate gross proceeds of $25,350,000. The transaction made CRW a beneficial owner of more than 5% of the Company's common stock. The Company granted CRW certain demand and piggyback registration rights with respect to the shares of common stock issuable upon conversion of the Series A Preferred Stock under the CRW SPA. Effective February 4, 2022, the Company registered the resale of the shares of common stock issuable upon conversion of the Series A Preferred Stock on a Form S-3. Also on February 26, 2021, the Company entered into a letter agreement with CRW, granting CRW the right to designate one individual for election or appointment to the Board and Board observer rights. Under the letter agreement, for as long as CRW has the right to designate a Board member, if the Company, directly or indirectly, plans to issue, sell or grant any securities or options to purchase any of its securities, CRW has a right to purchase its pro rata portion of such securities, based on the number of shares of Series A Preferred Stock beneficially held by CRW on the applicable date on an as-converted-to-common-stock basis divided by the total number of shares of common stock outstanding on such date on an as-converted, fully-diluted basis (taking into account all outstanding securities of the Company regardless of whether the holders of such securities have the right to convert or exercise such securities for common stock at the time of determination). Further, under the letter agreement, the Company paid CRW Capital, LLC, the sole manager of CRW and a holder of a carried interest in CRW, a monitoring fee equal to $125,000 in 2021 and total monitoring fees of $25,000 as of September 30, 2022. Mr. Rubin is a manager and 50% owner of CRW Capital, LLC, and he shares voting and disposition power over the shares of Series A Preferred Stock held by CRW. In October 2022, the Board appointed Mr. Rubin as a director to fill a vacancy on the Board.

On December 7, 2021, the Company entered into a Securities Purchase Agreement with The Rubin Revocable Trust U/A/D 05/09/2011 (the "Rubin Revocable Trust") pursuant to which the Company issued an Investor Note in the aggregate principal amount of $100,000 to the Rubin Revocable Trust for $98,000 in cash. The Investor Note bears interest at 13% per year payable quarterly commencing March 31, 2022 in cash for the amount equal to the amount payable on such date as if the Investor Note was subject to an annual interest rate of 9% with the remainder of the accrued interest payable as an increase to the principal amount of the Note. Mr. Rubin is the majority owner of the Rubin Revocable Trust.

Transactions with Entities Affiliated with Brian Ruden

The Company has participated in several transactions involving entities owned or affiliated with Brian Ruden, one of its former directors as of October 2022, a beneficial owner of more than 5% of the Common Stock, and a beneficial owner of more than 5% of the Preferred Stock.

Between December 17, 2020 and March 2, 2021, the Company's wholly-owned subsidiary SBUD LLC consummated the Star Buds Acquisition. The Company previously reported the terms of the applicable purchase agreements and related amendments in the Company's Current Reports on Form 8-K filed June 8, 2020, September 21, 2020, December 22, 2020, and March 8, 2021.

The aggregate purchase price for the Star Buds Acquisition was $118,000,000, paid as follows: (i) $44,250,000 in cash at the applicable closings, (ii) $44,250,000 in deferred cash, also referred to in this report Quarterly Report on Form 10-Q as "seller note(s)," which are subject to 12% interest per annum (iii) 29,506 shares of Preferred Stock, of which 25,078 shares were issued at the applicable closings and 4,428 shares are held in escrow and will be released post-closing to either the applicable sellers or the Company depending on post-closing adjustments to the purchase price. In addition, the Company issued warrants to purchase an aggregate of 5,531,250 shares of Common Stock to the sellers. The Company has not paid any principal and has paid an aggregate of $8,763,387 of interest on the seller notes as of September 30, 2022.

Mr. Ruden's interest in the aggregate purchase price for the Star Buds Acquisition is as follows: (i) $13,727,490 in cash at the applicable closings, (ii) $13,727,490 in seller notes, (iii) 9,151 shares of Preferred Stock, of which 7,778 shares were issued at the applicable closings and 1,373 shares are held in escrow and will be released post-closing to either Mr. Ruden or the Company depending on post-closing adjustments to the purchase price. In addition, the Company issued warrants to purchase an aggregate of 1,715,936 shares of Common Stock to Mr. Ruden. The Company has paid Mr. Ruden an aggregate of $2,714,487 in interest on his seller notes as of September 30, 2022.

Mr. Ruden was a part-owner of a majority of the Star Buds companies that sold assets to SBUD LLC. Mr. Ruden owned 50% of Colorado Health Consultants LLC, 50% of Starbuds Pueblo LLC, 50% of Starbuds Alameda LLC, 47.5% of Starbuds Aurora LLC, 46% of SB Arapahoe LLC, 36% of Starbuds Commerce City LLC, 30% of Starbuds Louisville LLC, 25% of Starbuds Niwot LLC, 16.66% of Lucky Ticket LLC, 15% of KEW LLC, 15% of the entity that owned Mountain View 44th LLC, and 10% of LM MJC LLC.

In connection with acquiring the Star Buds assets for our Pueblo West, Niwot, Commerce City, Lakeside, Arapahoe and Aurora locations, SBUD LLC entered into a lease with each of 428 S. McCulloch LLC, Colorado Real Estate Holdings LLC, 5844 Ventures LLC, 5238 W 44th LLC, 14655 Arapahoe LLC and Montview Real Estate LLC, on substantially the same terms. Each of the leases is for an initial three-year term. The lease with 428 S. McCulloch LLC is for the Company's Pueblo West Star Buds location and was effective on December 17, 2020. The lease with Colorado Real Estate Holdings LLC and 5844 Ventures LLC is for the Company's Niwot and Commerce City Star Buds locations, respectively, and was effective on December 18, 2020. The lease with 5238 W 44th LLC is for the Company's Lakeside Star Buds location and was effective on February 3, 2021. The lease with 14655 Arapahoe LLC and Montview Real Estate LLC is for the Company's Arapahoe and Aurora locations, respectively, and was effective on March 2, 2021. The 428 S McCulloch LLC, 5844 Ventures LLC and 5238 W 44th LLC provides for a monthly rent payment of $5,000 with an aggregate of $180,000 during the initial term of the leases. The Colorado Real Estate Holdings LLC lease provides for a monthly rent payment of $6,779 with an aggregate of $244,044 during the initial term of the lease. The 14655 Arapahoe LLC lease provides for a monthly rent payment of $12,367 with an aggregate of $445,212 during the initial term of the lease. The Montview Real Estate LLC lease provides for a monthly rent of $6,250 with an aggregate of $225,000 during the initial term of the lease. During 2020, SBUD LLC made aggregate rent payments of $10,000. SBUD LLC made aggregate rent payments of $363,564 and $449,297 for the periods ending September 30, 2022 and December 31, 2021, respectively. In addition, SBUD LLC must pay each landlord's expenses and disbursements incurred in connection with the ownership, operation, maintenance, repair and replacement of the premises. SBUD LLC has the option to renew each lease for two additional three-year terms with escalation. The Company has an option to purchase the premises at fair market value at any time during the lease term and also has a right of first refusal if the landlords desire to sell the premises to a third party.

On December 17, 2020, SBUD LLC entered into a Trademark License Agreement with Star Brands LLC under which Star Brands LLC licenses certain trademarks to SBUD LLC effective as of the closing of the entire Star Buds Acquisition. SBUD LLC has no payment obligation under this agreement. Mr. Ruden is a part-owner of Star Brands LLC.

In connection with the Star Buds Acquisition, the Company granted Mr. Ruden and Naser Joudeh the right designate individuals for election or appointment to the Board.

On May 4, 2022, and June 14, 2022, the Company issued 20,232 shares of Common Stock and 22,728 shares of Common Stock, respectively, to Mr. Ruden as compensation for service on the Board. These shares are valued at $35,001 and $35,001 for May and June 2022, respectively.

Transactions with Jeffrey Garwood

On December 7, 2021, the Company entered into a Securities Purchase Agreement with Jeff Garwood pursuant to which the Company issued an Investor Note in the aggregate principal amount of $300,000 to Mr. Garwood for $294,000 in cash. The Investor Note bears interest at 13% per year paid quarterly commencing March 31, 2022 in cash for an amount equal to the amount payable on such date as if the Note was subject to an annual interest rate of 9% with the remainder of the accrued interest payable as an increase to the principal amount of the Note. Mr. Garwood is a member of the Board.

On May 4, 2022, and June 14, 2022, the Company issued 40,463 shares of Common Stock and 22,728 shares of Common Stock, respectively, to Mr. Garwood, as compensation for service on the Board. These shares are valued at $70,001 and $35,001 for May and June 2022, respectively.

Transactions with Pratap Mukharji

On December 7, 2021, the Company entered into a Securities Purchase Agreement with Pratap Mukharji pursuant to which the Company issued an Investor Note in the aggregate principal amount of $200,000 to Mr. Mukharji for $196,000 in cash.

The Investor Note bears interest at 13% per year paid quarterly commencing March 31, 2022 in cash for an amount equal to the amount payable on such date as if the Note was subject to an annual interest rate of 9% with the remainder of the accrued interest payable as an increase to the principal amount of the Note. Mr. Mukharji is a member of the Board.

On May 4, 2022, and June 14, 2022, the Company issued 40,463 shares of Common Stock and 22,728 shares of Common Stock, respectively, to Mr. Mukharji as compensation for service on the Board. These shares are valued at $70,001 and $35,001 for May and June 2022, respectively.

Transactions with Paul Montalbano

On May 4, 2022, and June 14, 2022, the Company issued 40,463 shares of Common Stock and 22,728 shares of Common Stock, respectively, to Mr. Montalbano as compensation for service on the Board. These shares are valued at $70,001 and $35,001 for May and June 2022, respectively.

Transactions with Jonathan Berger

On May 4, 2022, and June 14, 2022, the Company issued 40,463 shares of Common Stock and 22,728 shares of Common Stock, respectively, to Mr. Berger as compensation for service on the Board. These shares are valued at $70,001 and $35,001 for May and June 2022, respectively. On June 24, 2022, the Company issued 19,085 shares of Common Stock to Mr. Berger as compensation for service as the Chair of the Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee of the Board. These shares are valued at $25,001 for June 2022. On September 22, 2022, the Company issued 102,355 shares of Common Stock to Mr. Berger as compensation for service as Lead Independent Director of the Board. These shares are valued at $100,000 for September 2022.

Transactions with Salim Wahdan

The Company has participated in several transactions involving entities owned or affiliated with Salim Wahdan, one of its directors, related to the acquisition of the Star Buds assets.

Between December 17, 2020 and March 2, 2021, SBUD LLC acquired the Star Buds assets. The Company previously reported the terms of the applicable purchase agreements and related amendments in the Company's Current Reports on Form 8-K filed June 8, 2020, September 21, 2020, December 22, 2020, and March 8, 2021.

The aggregate purchase price for the Star Buds Acquisition was $118,000,000, paid as follows: (i) $44,250,000 in cash at the applicable closings, (ii) $44,250,000 in seller notes subject to 12% interest per annum (iii) 29,506 shares of Preferred Stock, of which 25,078 shares were issued at the applicable closings and 4,428 shares are held in escrow and will be released post-closing to either the applicable sellers or the Company depending on post-closing adjustments to the purchase price. In addition, the Company issued warrants to purchase an aggregate of 5,531,250 shares of Common Stock to the sellers. The Company has not paid any principal and has paid an aggregate of $8,763,387 of interest on the seller notes as of September 30, 2022.

Mr. Wahdan's interest in the aggregate purchase price for the Star Buds assets is as follows: (i) $1,361,360 in cash at the applicable closings, (ii) $1,361,360 in seller notes, and (iii) 1,036 shares of Series A Preferred Stock, of which 880 shares were issued at the applicable closings and 156 shares were held in escrow for release post-closing to either Mr. Wahdan or the Company depending on post-closing adjustments to the purchase price. In addition, the Company issued warrants to purchase an aggregate of 193,930 shares of common stock to Mr. Wahdan. The Company has paid Mr. Wahdan an aggregate of $313,331 in interest on his seller notes as of September 30, 2022.

Mr. Wahdan was a partial owner of certain of the Star Buds companies that sold assets to SBUD, LLC. Mr. Wahdan owned 3.48% of Starbuds Louisville LLC, 9.25% of KEW LLC, 16.67% of Lucky Ticket LLC, and 8% of the entity that owned Mountain View 44th LLC.

In connection with acquiring the Star Buds assets for our Lakeside location, SBUD LLC entered into a lease with each of 5238 W 44th LLC. The lease is for an initial three-year term, starting effective on February 3, 2021. The lease provides

for a monthly rent payment of $5,000 with an aggregate of $180,000 during the initial term of the leases. During 2021, SBUD LLC paid an aggregate of $55,000, in rent under this lease. From January 1 through September 30, 2022, SBUD LLC paid an aggregate of $45,000 in rent under these leases. In addition, SBUD LLC must pay landlord's expenses and disbursements incurred in connection with the ownership, operation, maintenance, repair and replacement of the premises. SBUD LLC has the option to renew the lease for two additional three-year terms with escalation. The Company has an option to purchase the premises at fair market value at any time during the lease term and also has a right of first refusal if the landlords desire to sell the premises to a third party.

On June 14, 2022 and June 24, 2022, the Company issued 14,584 shares of Common Stock and 15,586 shares of Common Stock, respectively, to Mr. Wahdan as compensation for service on the Board. These shares are valued at $42,887 for June 2022.

8. Goodwill Accounting

The Company accounts for acquisitions in which it obtains control of one or more businesses as a business combination. The purchase price of the acquired businesses is allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. The excess of the purchase price over those fair values is recognized as goodwill. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments, in the period in which they are determined, to the assets acquired and liabilities assumed with the corresponding offset to goodwill. If the assets acquired are not a business, the Company accounts for the transaction or other event as an asset acquisition. Under both methods, the Company recognizes the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquired entity. In addition, for transactions that are business combinations, the Company evaluates the existence of goodwill or a gain from a bargain purchase.

	Retail	Wholesale	Other	Total
Balance as of January 1, 2022	$ 26,349,025	$ 13,964,016	$ 3,003,226	$ 43,316,267
Goodwill acquired during 2022	19,799,102	1,792,000	34,045,420	55,636,522
Measurement-period adjustment to prior year acquisition	640,001	—	—	640,001
Balance as of September 30, 2022	$ 46,788,128	$ 15,756,016	$ 37,048,646	$ 99,592,790

Goodwill related to the Other segment is driven by the New Mexico acquisition. At this time, ASC 805 valuation has not been finalized, therefore goodwill estimated for the acquisition is classified in Other until valuation can be completed.

The Company performed its annual fair value assessment as of December 31, 2021, on its subsidiaries with material goodwill and intangible asset amounts on their respective balance sheets and determined that no impairment exists. No additional factors or circumstances existed as of September 30, 2022, that would indicate impairment.

9. Business Combination

On January 26, 2022, the Company acquired the assets of Drift, and Black Box Licensing, LLC, which operates dispensaries in Colorado, under the applicable asset purchase agreement. The Company utilized purchase price accounting to value assets acquired, which values such assets at approximately fair market value. The purchase price accounting resulted in $3,344,555 of goodwill and intangibles, however valuation has not been finalized.

On February 8, 2022, the Company acquired its New Mexico business under the Nuevo Purchase Agreement with the Nuevo Purchasers, RGA, Elemental, the equity holders of RGA and Elemental and William N. Ford, in his capacity as Representative, as amended on February 9, 2022. The Nuevo Purchasers acquired substantially all the operating assets of RGA and all of the equity of Elemental and assumed specified liabilities of RGA and Elemental. Pursuant to existing laws and regulations in New Mexico, the cannabis licenses for certain facilities managed by RGA are held by the NFPs. At the

closing, Nuevo Holding, LLC gained control over the NFPs by becoming the sole member of each of the NFPs and replacing the directors of the two NFPs with Justin Dye, the Company's Chief Executive Officer and one of its directors, Nancy Huber, the Company's Chief Financial Officer, and Dan Pabon, the Company's General Counsel, Chief Government Affairs Officer and Corporate Secretary. The business acquired from RGA consists of serving as a branding, marketing and consulting company, licensing certain intellectual property related to the business of THC-based products to Elemental and the NFPs, providing consulting services to Elemental and the NFPs, and supporting Elemental and the NFPs to promote, support, and develop sales and distribution of products. Elemental is engaged in the business of creating and distributing cannabis-derived products to licensed cannabis producers. Elemental and the NFPs are in the business of cultivating, processing and dispensing marijuana in New Mexico, with 10 dispensaries, four cultivation facilities (three operating and one under development) and one manufacturing facility. The dispensaries are located in Albuquerque, Santa Fe, Roswell, Las Cruces, Grants and Las Vegas, New Mexico. The cultivation and manufacturing facilities are located in Albuquerque, New Mexico and consists of approximately 70,000 square feet of cultivation and 6,000 square feet of manufacturing. On the same date, Nuevo Holding, LLC entered into two separate Call Option Agreements containing substantially identical terms with each of the NFPs. Each Call Option Agreement gives Nuevo Holding, LLC the right to acquire 100% of the equity or 100% of the assets of the applicable NFP for a purchase price of $100 if, in the future, the New Mexico legislature adopts legislation that permits a NFP to (i) convert to a for-profit corporation and maintain its cannabis license or (ii) sell its assets (including its cannabis license) to a for-profit corporation. The aggregate closing consideration for the acquisitions was approximately (i) $27.7 million in cash, and (ii) $17.0 million in the form of an unsecured promissory note issued by Nuevo Holding, LLC to RGA, the principal amount of which is payable on February 8, 2025 with interest payable monthly at an annual interest rate of 5%. The Nuevo Purchasers may be required to make a potential "earn-out" payment of up to $4.5 million in cash to RGA and William N. Ford (as Representative) based on the EBITDA of the acquired business for calendar year 2021. The Company utilized purchase price accounting to value assets acquired, which values such assets at approximately fair market value. The purchase price accounting resulted in $34,045,420 of goodwill and intangibles, however valuation has not been finalized.

On February 9, 2022, the Company acquired MCG, which operates dispensaries located in Colorado pursuant to the terms of an Agreement and Plan of Merger, dated November 15, 2021, with Emerald Fields Merger Sub, LLC, a wholly-owned subsidiary of the Company, MCG, MCG's owners and Donald Douglas Burkhalter and James Gulbrandsen in their capacity as the Member Representatives, as amended on February 9, 2022. The Company utilized purchase price accounting to value assets acquired, which values such assets at approximately fair market value. The purchase price accounting resulted in $13,596,399 of goodwill and $12,400,000 of intangibles.

On February 15, 2022, the Company acquired substantially all of the operating assets of Brow related to its indoor cannabis cultivation operations located in Denver, Colorado (other than assets expressly excluded) and assumed certain liabilities for contracts acquired pursuant to the terms of the Asset Purchase Agreement, dated August 20, 2021, among Double Brow, Brow, and Brian Welsh, as the owner of Brow. The Company utilized purchase price accounting to value assets acquired, which values such assets at approximately fair market value. The purchase price accounting resulted in $1,792,000 of goodwill and $3,970,000 of intangibles.

On May 31, 2022, the Company acquired substantially all of the operating assets of Urban Dispensary, which operates a dispensary and indoor cultivation in Colorado, pursuant to the terms of an Asset and Personal Goodwill Purchase Agreement, dated March 11, 2022, with Double Brow, Urban Dispensary, Productive Investments, LLC, and Patrick Johnson. Urban Dispensary operates an indoor cannabis cultivation facility and a single retail dispensary, each located in Denver, Colorado. The Company utilized purchase price accounting to value assets acquired, which values such assets at approximately fair market value. The purchase price accounting resulted in $2,858,148 of goodwill and intangibles, however valuation has not been finalized.

As of three and nine months ended September 30, 2022, the Company acquired cannabis brands and other assets of Drift, RGA, MCG, Brow, Urban Dispensary, and 100% of the equity of Elemental.

These transactions were accounted for as a business combination in accordance with ASC 805, *Business Combinations* ("ASC 805"). In consideration of the sale and transfer of the acquired assets the Company paid as follows:

	Nuevo Holding LLC	Emerald Fields Merger Sub, LLC	Other Acquisitions
Cash	$ 32,202,123	$ 18,268,825	$ 9,933,250
Seller notes	17,000,000	—	—
Common stock	—	11,600,000	3,500,000
Total purchase price	$ 49,202,123	$ 29,868,825	$ 13,433,250

As of September 30, 2022, the Company's allocation of purchase price is as follows:

Description	Nuevo Holding LLC	Emerald Fields Merger Sub, LLC	Other Acquisitions
Assets acquired:			
Cash	$ 2,860,706	$ 650,469	$ 17,100
Accounts receivable	—	196,879	—
Other assets	—	156,000	605,112
Inventory	10,520,579	1,655,000	820,584
Fixed assets	2,137,002	2,687,000	25,966
Other long term assets	2,500	—	—
Intangible assets	—	12,400,000	3,970,000
Goodwill	34,045,420	13,596,399	7,994,703
Total Assets acquired	$ 49,566,207	$ 31,341,747	$ 13,433,465
Liabilities and Equity assumed:			
Accounts payable	$ 295,043	$ 458,622	$ —
Accrued liabilities	69,041	1,014,300	215
Total Liabilities and Equity assumed	364,084	1,472,922	215
Estimated fair value of net assets acquired	$ 49,202,123	$ 29,868,825	$ 13,433,250

The goodwill, which is not expected to be deductible for income tax purposes, consists largely of the synergies, assembled workforce and economies of scale expected from combining the operations of the acquired entities with the Company.

10. Inventory

As of September 30, 2022, and December 31, 2021, respectively, the Company had $7,295,263 and $5,573,329 of finished goods inventory. As of September 30, 2022, the Company had $10,049,172 of work in process and $3,944,568 of raw materials. As of December 31, 2021, the Company had $5,535,992 of work in process and $12,676 of raw materials. The Company uses the FIFO inventory valuation method.

11. Debt

Term Loan — On February 26, 2021, the Company entered into a Loan Agreement with SHWZ Altmore, LLC ("Altmore"), as lender, and GGG Partners LLC, as collateral agent. Upon execution of the Loan Agreement, the Company received $10,000,000 of loan proceeds. In connection with the Company's acquisition of Southern Colorado Growers, the Company received an additional $5,000,000 of loan proceeds under the Loan Agreement. The term loan incurs 15% interest per annum, payable quarterly on March 1, June 1, September 1, and December 1 of each year. The Company will be required to make principal payments beginning on June 1, 2023 in the amount of $750,000, payable quarterly with the remainder of the principal due upon maturity on February 26, 2025.

Under the terms of the loan, the Company must comply with certain restrictions. These include customary events of default and various financial covenants including, maintaining (i) a consolidated fixed charge coverage ratio of at least 1.3 at the end of each fiscal quarter beginning in the first quarter of 2022, and (ii) a minimum of $3,000,000 in a deposit account in which the lender has a security interest. As of September 30, 2022, the Company was in compliance with the requirements described above.

Seller Notes — As part of the Star Buds Acquisition, the Company entered into a deferred payment arrangement with the sellers in an aggregate amount of $44,250,000. The deferred payment arrangement incurs 12% interest per annum, payable on the first of every month through November 2025. Principal payments are due as follows: $13,901,759 on December 17, 2025, $3,474,519 on February 3, 2026, and $26,873,722 on March 2, 2026.

As part of the acquisition under the Nuevo Purchase Agreement, the company entered into a deferred payment arrangement with the sellers in an aggregate amount of $17,000,000. The deferred payment arrangement incurs 5% interest per year, payable on the first of each month. The principal is due February 7, 2025.

Investor Notes – On December 3, 2021, the Company and the Subsidiary Guarantors entered into a Securities Purchase Agreement with the Note Investors pursuant to which the Company agreed to issue and sell to the Note Investors Investor Notes in a private placement. On December 7, 2021, the Company consummated the private placement and issued and sold the Investor Notes pursuant to the Indenture. The Company received net proceeds of approximately $92,000,000 at the closing, after deducting a commission to the placement agent and estimated offering expenses associated with the private placement payable by the Company. The Investor Notes will mature five years after issuance unless earlier repurchased, redeemed, or converted. A holder of an Investor Note may convert all or any portion of the Investor Note into shares of Common Stock at any time until the close of business on the business day immediately preceding the maturity date of the Inventor Notes, at a conversion price equal to $2.24 per share ("Conversion Price"). The Conversion Price will be adjusted in the event of any change in the outstanding Common Stock by way of stock subdivision (including a stock split), stock combination, issuance of stock or cash dividends, distributions of other securities or assets and other corporate actions. The number of shares issuable upon conversion of the Investor Notes will be equal to the principal amount of the Investor Note plus accrued interest divided by the conversion price (the "Conversion Rate").

The Company may, at its option, elect to redeem all, but not less than all, of the Investor Notes for cash, subject to certain conditions, at a repurchase price equal to the principal amount of the Notes plus accrued and unpaid interest thereon on such date as more fully discussed in the agreement.

On the fourth anniversary of the issuance date, the investors will have the right, at their option, to require the Company to repurchase some or all their Notes for cash in an amount equal to the principal amount of the Investor Notes being repurchased plus accrued and unpaid interest up to the date of repurchase.

On or after the second anniversary of the issuance date, the Company may, at its option, convert up to 12.5% of the outstanding Investor Notes each quarter, if (i) the last reported sale price of the Common Stock exceeds 150% of the applicable Conversion Price, (ii) either (a) the Common Stock is listed on a Permitted Exchange (as defined in the Indenture) or (b) the Company's daily volume weighted average price for the Common Stock exceeds $2,500,000, in each case for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date of conversion for the Conversion Price plus accrued and unpaid interest and (iii) there is an effective registration statement covering the resale by the holders of the Investor Notes of all Common Stock to be received in such conversion. The Company will be required to pay a Make-Whole Premium (as defined in the Indenture), payable in cash or Common Stock, to the Investors if the Investor Notes are voluntarily converted before the third anniversary of the Issuance Date and the Company's daily volume weighted average price for the Common Stock does not exceed 175% of the Conversion Rate during the five consecutive trading days immediately preceding the date of conversion.

The notes have a contingent redemption feature that involves a substantial premium, requiring the same to be bifurcated as a derivative liability.

The Investor Notes bear interest at 13% per year paid quarterly commencing March 31, 2022 in cash for an amount equal to the amount payable on such date as if the Investor Notes were subject to an annual interest rate of 9%, with the remainder of the accrued interest payable as an increase to the principal amount of the Investor Notes. The proceeds from the Investor Notes are required to be used to fund previously identified acquisitions and other growth initiatives. The principal is due December 7, 2026.

The Indenture includes customary affirmative and negative covenants, including limitations on liens, additional indebtedness, repurchases and redemptions of any equity interest in the Company or any Subsidiary Guarantor (as defined in the Indenture), certain investments, and dividends and other restricted payments, and customary events of default. Starting on December 7, 2022, the Company must maintain a Consolidated Fixed Charge Coverage Ratio (as defined in the Indenture) of no less than 1.30 to 1.00 as of the last day of each quarter, and the Company and the Subsidiary Guarantors are required to have at least $10,000,000 in cash (in aggregate) on the last day of each quarter in deposit accounts for which the collateral agent has a perfected security interest in. The Company and the Subsidiary Guarantors are restricted from making certain payments, including but not limited to (i) payment of dividends, (ii) repurchase, redemption, retire, or otherwise acquire any equity interest, option, or warrant of the Company or any Subsidiary Guarantor, and (iii) payment to any equity holder of the Company or a Subsidiary Guarantor for services provided pursuant to management, consulting, or other service agreement (the "Restricted Payments") but the Company may declare and pay dividends if payable solely in its own equity, or, in the case of the Subsidiary Guarantors, amounts payable to such subsidiaries with respect to its applicable equity ownership. Provided the Company is not in default under the terms of the Indenture, the Company may make Restricted Payments not otherwise permitted thereunder (a) in an amount not to exceed $500,000 until discharge of the Indenture, or (b) after December 7, 2024, so long as the Company's Consolidated Leverage Ratio (as defined in the Indenture) is between 1.00 and 2.25 for the applicable reference period at the time of the Restricted Payment after giving pro forma effect thereto.

The Indenture contains restrictions and limitations on the Company's ability to incur additional debt and grant liens on its assets. The Company and its Subsidiary Guarantors are not permitted to incur additional debt or issue Disqualified Equity Interests (as defined in the Indenture) unless the Company's Consolidated Leverage Ratio is between 1.00 and 2.25 after giving pro forma effect thereto. In addition, the Company is not permitted to grant a senior lien on its assets (excluding acquisition target assets that are identified in the Indenture) to secure indebtedness unless and until (a) at least $80,000,000 of the net proceeds from the Notes (plus the proceeds of certain sale-leaseback transactions) have been used to consummate Permitted Acquisitions prior to the granting of any such lien, and (b) the Consolidated Leverage Ratio for the applicable reference period, calculated on a pro forma basis giving effect to such acquisition and all related transactions, is less than 1.40 to 1.00. As of September 30, 2022, the Company expended approximately $81,780,000 of the proceeds from the Investor Notes on acquisitions. The Indenture provides that the Company and its Subsidiary Guarantors may incur debt under certain circumstances, including but not limited to, (i) debt incurred related to certain acquisitions and dispositions, including capital lease obligations and sale-leaseback transactions not to exceed $5,500,000 (plus up to an additional $2,200,000 in connection with certain transactions identified prior to the Issuance Date) in the aggregate at any time, (ii) certain transactions in the ordinary course of business, and (iii) any other unsecured debt not to exceed $1,000,000 at any time.

The following tables sets forth our indebtedness as of September 30, 2022 and December 31, 2021, respectively, and future obligations:

	September 30, 2022	December 31, 2021
Term loan dated February 26, 2021, in the original amount of $10,000,000. An additional $5,000,000 was added to the loan agreement on July 28, 2021. Interest of 15% per annum, due quarterly. Principal payments begin June 1, 2023.	$ 15,000,000	$ 15,000,000
Seller notes dated December 17, 2020 in the original amount of $44,250,000. Interest of 12% per annum, due monthly. Principal payments begin December 17, 2025.	44,250,000	44,250,000
Investor note dated December 3, 2021, in the original amount of $95,000,000. Interest of 13% per annum, 9% payable in cash and 4% accreting to the principal amount.	98,137,022	95,000,000
Seller note dated February 7, 2022 in the original amount of $17,000,000. Interest of 5% per annum, due monthly. Principal balance is due February 7, 2025.	17,000,000	—
Less: unamortized debt issuance costs	(7,025,206)	(8,289,743)
Less: unamortized debt discount	(42,972,369)	(48,477,789)
Total long term debt	124,389,447	97,482,468
Less: current portion of long term debt	(1,500,000)	—
Long term debt and unamortized debt issuance costs	$ 122,889,447	$ 97,482,468

	Principal Payments	Unamortized Debt Issuance Costs	Unamortized Debt Discount	Total Long Term Debt
2022	—	$ 421,512	$ 1,979,193	$ (1,979,193)
2023	2,250,000	1,686,049	8,523,493	(6,273,493)
2024	3,000,000	1,686,049	9,734,935	(6,734,935)
2025	40,651,759	1,686,049	11,057,799	29,593,960
2026	128,485,263	1,545,547	11,676,949	116,808,314
Thereafter	—	—	—	—
Total	$ 174,387,022	$ 7,025,206	$ 42,972,369	$ 131,414,653

12. Leases

Leases with an initial term of 12 months or less are not recorded on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Leases with a term greater than one year are recognized on the balance sheet at the time of lease commencement or modification of a Right of Use ("ROU") operating lease asset and a lease liability, initially measured at the present value of the lease payments. Lease costs are recognized in the income statement over the lease term on a straight-line basis. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease.

The Company's leases consist of real estate leases for office, retail, cultivation, and manufacturing facilities. The Company elected to combine the lease and related non-lease components for its operating leases.

The Company's operating leases include options to extend or terminate the lease, which are not included in the determination of the ROU asset or lease liability unless reasonably certain to be exercised. The Company's operating

leases have remaining lease terms of less than two. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As the Company's leases do not provide an implicit rate, we used an incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments. The discount rate used in the computations ranged between 6% and 12%.

Balance Sheet Classification of Operating Lease Assets and Liabilities

	Balance Sheet Line	September 30, 2022
Asset		
Operating lease right of use assets	Noncurrent assets	$ 19,982,940
Liabilities		
Lease liabilities	Current Liabilities	$ 2,992,540
Lease liabilities	Noncurrent liabilities	17,763,177

Maturities of Lease Liabilities

Maturities of lease liabilities as of September 30, 2022 are as follows:

2022 fiscal year	$ 34,246,054
Less: Interest	12,143,391
Present value of lease liabilities	$ 22,102,663

The following table presents the Company's future minimum lease obligation under ASC 842 as of September 30, 2022:

2022 fiscal year	$ 1,242,307
2023 fiscal year	4,646,609
2024 fiscal year	5,244,672
2025 fiscal year	4,653,106
2026 fiscal year	4,211,405
Thereafter	14,247,955
Total	$ 34,246,054

13. Commitments and Contingencies

Definitive Agreement to Acquire Two Retail Dispensaries from Colorado-Based Lightshade Labs LLC.

On September 9, 2022, the Company entered into two Asset Purchase Agreements with Double Brow, Lightshade Labs LLC ("Lightshade"), Thomas Van Alsburg, an individual, Steve Brooks, an individual, and John Fritzel, an individual, pursuant to which Double Brow will purchase (i) all of Lightshade's assets used or held for use in Lightshade's business of owning and operating a retail marijuana store in Denver, Colorado, pursuant to an Asset Purchase Agreement (the "Denver Purchase Agreement") and (ii) all of Lightshade's assets used or held for use in Lightshade's business of owning and operating a retail marijuana store in Aurora, Colorado (the "Aurora Purchase Agreement" and together with the Denver Purchase Agreement, the "Purchase Agreements"), on the terms and subject to the conditions set forth in the Purchase Agreements (collectively, the "Lightshade Purchase"). The aggregate consideration for the Lightshade Purchase will be up to $2,750,000 million in cash. At the closing, the Company will use a portion of the purchase price to pay off certain indebtedness and transaction expenses of Lightshade and then pay the balance to Lightshade. The Company will deposit $300,000 of the purchase price at closing into escrow as collateral for potential claims for indemnification from Lightshade under the Purchase Agreements. Any portion of the escrowed purchase price not used to satisfy indemnification claims will be released to Lightshade on the 12-month anniversary of the closing date of the Lightshade Purchase. The closing of the Lightshade Purchase is subject to closing conditions customary for a transaction of this nature, including, without

limitation, obtaining licensing approval from the Colorado Marijuana Enforcement Division and local regulatory authorities.

14. Stockholders' Equity

The Company is authorized to issue two classes of stock, preferred stock and Common Stock.

Preferred Stock

The number of shares of preferred stock authorized is 10,000,000, par value $0.001 per share. The preferred stock may be divided into such number or series as the Board may determine. The Board is authorized to determine and alter the rights, preferences, privileges and restrictions granted and imposed upon any wholly unissued series of preferred stock, and to fix the number and designation of shares of any series of preferred stock. The Board, within limits and restrictions stated in any resolution of the Board, originally fixing the number of shares constituting any series may increase or decrease, but not below the number of such series then outstanding, the shares of any subsequent series.

The Company had 86,994 shares of Preferred Stock issued which includes 2,690 shares of Preferred Stock in escrow as of September 30, 2022 and 86,994 shares of Preferred Stock issued which includes 4,428 shares in escrow as of December 31, 2021. Among other terms, each share of Preferred Stock (i) earns an annual dividend of 8% on the "preference amount," which initially is equal to the $1,000 per-share purchase price and subject to increase, by having such dividends automatically accrete to, and increase, the outstanding preference amount, (ii) is entitled to a liquidation preference under certain circumstances, (iii) is convertible into shares of Common Stock by dividing the preference amount by $1.20 per share under certain circumstances, and (iv) is subject to a redemption right or obligation under certain circumstances. Preferred dividends were $5,294,132 and $1,784,113 as of September 30, 2022 for the nine and three month periods, respectively.

Common Stock

The Company is authorized to issue 250,000,000 shares of Common Stock, par value $0.001 per share. The Company had 56,069,212 shares of Common Stock issued, 54,741,506 shares of Common Stock outstanding, 886,459 shares of Common Stock in treasury, and 441,247 shares of Common Stock in escrow as of September 30, 2022, and 45,484,314 shares of Common Stock issued, 44,745,870 shares of Common Stock outstanding, 517,044 shares of Common Stock in treasury, and 221,400 shares of Common Stock in escrow as of December 31, 2021.

Employee Stock Option Plan

The Company's stock option plan permits the grant of share options to its employees. Option awards are generally granted with an exercise price equal to the market price of the Company's stock at the date of grant; those option awards generally vest based on 4 years of continuous service and have a 10-year contractual terms.

Common Stock Issued as Compensation to Employees, Officers, and Directors

For the year ended December 31, 2021, the Company issued 323,530 shares of Common Stock valued at $680,862 to employees and directors as compensation.

For the nine months ended September 30, 2022, the Company issued 510,525 shares of Common Stock valued at $762,892 as compensation to directors.

Common and Preferred Stock Issued as Payment for Acquisitions

On April 20, 2020, the Company issued 2,554,750 shares of Common Stock valued at $4,167,253 for the acquisition of Mesa Organics, Ltd.

The Company issued shares of Preferred Stock in connection with the Star Buds Acquisition to each relevant selling party as follows: (i) on December 17, 2020 the Company issued 2,862 shares of Preferred Stock valued at $2,861,994, of which 430 shares of Preferred Stock valued at $387,000 were placed in escrow, (ii) on December 18, 2020 the Company issued 6,404 shares of Preferred Stock valued at $6,403,987, of which 959 shares of Preferred Stock valued at $863,100 were placed in escrow, (iii) on February 3, 2021 the Company issued 2,319 shares of Preferred Stock valued at $2,318,998, of which 349 shares of Preferred Stock valued at $314,100 were placed in escrow, and (iv) on March 3, 2021 the Company issued 17,921 shares of Preferred Stock valued at $17,920,982, of which 2,690 shares of Preferred Stock valued at $2,421,000 were placed in escrow.

On July 21, 2021, the Company issued 2,213,994 shares of Common Stock valued at $5,377,786, of which 221,400 shares valued at $537,779 were placed in escrow for the acquisition of Southern Colorado Growers.

On December 21, 2021, the Company issued 100,000 shares of Common Stock valued at $197,000 for the acquisition of the assets of Smoking Gun.

On January 26, 2022, the Company agreed to issue an aggregate of 1,066,666 shares of Common Stock valued at $1,600,000 in connection with the acquisition of the assets of Drift, of which 912,766 have been issued.

On February 9, 2022, the Company issued 7,116,564 shares of Common Stock valued at $11,600,000 for the acquisition of MCG.

On May 31, 2022, the Company issued 1,670,230 shares of Common Stock valued at $1,900,000, of which 219,847 shares valued at $288,000 were placed in escrow for the acquisition of Urban Dispensary.

Warrants

The Company accounts for Common Stock purchase warrants in accordance with ASC 480, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock, Distinguishing Liabilities from Equity*. The Company estimates the fair value of warrants at date of grant using the Black-Scholes option pricing model. There is a moderate degree of subjectivity involved when using option pricing models to estimate the warrants, and the assumptions used in the Black Scholes option-pricing model are moderately judgmental.

For the year ended December 31, 2021, the Company issued warrants to purchase an aggregate of 5,531,250 shares of Common Stock as consideration for the Star Buds Acquisition. These warrants have an exercise price of $1.20 per share and expiration dates five years from the dates of issuance. In addition, the Company issued a warrant to purchase an aggregate of 1,500,000 shares of Common Stock to Altmore in connection with entering into a loan agreement. This warrant has an exercise price of $2.50 per share and expires five years from the date of issuance. The Company estimated the fair value of these warrants at date of grant using the Black-Scholes option pricing model using the following inputs: (i) stock price on the date of grant of $1.20 and $2.50, respectively, (ii) the contractual term of the warrant of five years, (iii) a risk-free interest rate ranging between 0.21% - 1.84% and (iv) an expected volatility of the price of the underlying Common Stock ranging between 157.60% - 194.56%. As of September 30, 2022, 9,100,000 warrants issued to Dye Cann I and 900,000 warrants issued to accredited investors in 2019 expired. No new warrants were issued as of September 30, 2022.

The following table reflects the change in Common Stock purchase warrants for the period ended September 30, 2022:

	Number of shares
Balance as of December 31, 2021	17,218,750
Warrants exercised	—
Warrants forfeited/expired	(10,000,000)
Warrants issued	—
Balance as of September 30, 2022	7,218,750

Conversion of Preferred Stock to Common Stock

On December 20, 2021, a holder of Preferred Stock converted 272 shares of Preferred Stock into 245,017 shares of Common Stock.

15. Segment Information

The Company has three identifiable segments as of September 30, 2022; (i) retail, (ii) wholesale and (iii) and other. The retail segment represents our dispensaries which sell merchandise directly to customers via retail locations and e-commerce portals. The wholesale segment represents our manufacturing, cultivation, and wholesale business which sells merchandise to customers via e-commerce portals, a retail location, and a manufacturing facility. The other segment derives its revenue from licensing and consulting agreements with cannabis related entities, in addition to fees from seminars and expense reimbursements included in other revenue on the Company's financial statements.

The following information represents segment activity for the three months ended September 30, 2022:

	Retail	Wholesale	Other	Total
External revenues	39,759,734	3,335,252	96,000	43,190,986
Cost of goods and services	(13,203,032)	(3,800,703)	(222,716)	(17,226,451)
Gross profit	26,518,917	(427,666)	(126,716)	25,964,535
Intangible assets amortization	1,792,289	237,142	581	2,030,012
Depreciation	(63,525)	613,171	248,709	798,355
Segment profit	18,954,001	(1,212,946)	(15,931,818)	1,809,237
Segment assets	188,486,331	74,042,877	67,051,712	329,580,920

The following information represents segment activity for the nine months ended September 30, 2022:

	Retail	Wholesale	Other	Total
External revenues	104,386,464	14,661,268	184,200	119,231,932
Cost of goods and services	(42,451,069)	(14,479,309)	(242,814)	(57,173,192)
Gross profit	61,935,395	181,959	(58,614)	62,058,740
Intangible assets amortization	5,671,869	634,093	1,744	6,307,706
Depreciation	357,166	964,838	700,057	2,022,061
Segment profit	39,178,738	(1,541,679)	(28,765,541)	8,871,518.00
Segment assets	188,486,331	74,042,877	67,051,712	329,580,920

Segment assets from Other are mainly related to goodwill from the Nuevo acquisition. Upon completion of the ASC 805 valuation, these will be split between the three segments accordingly.

16. Tax Provision

The following table summarizes the Company's income tax expense and effective tax rates for three and nine months ended September 30, 2022 and September 30, 2021:

	Three Months Ended September 30,	
	2022	2021
Income (loss) before income taxes	$ 7,402,750	$ 2,281,573
Income tax expense	5,593,513	1,312,817
Effective tax rate	75.56%	57.54%

	Nine Months Ended September 30,	
	2022	2021
Income (loss) before income taxes	$ 20,130,887	$ 3,687,194
Income tax expense	11,259,369	1,997,905
Effective tax rate	55.93%	54.18%

The Company has computed its provision for income taxes under the discrete method which treats the year-to-date period as if it were the annual period and determines the income tax expense or benefit on that basis. The discrete method is applied when application of the estimated annual effective tax rate is impractical because it is not possible to reliably estimate the annual effective tax rate. We believe that, at this time, the use of this discrete method is more appropriate than the annual effective tax rate method as the estimated annual effective tax rate method is not reliable due to the high degree of uncertainty in estimating annual pre-tax income due to the early growth stage of the business.

Due to its cannabis operations, the Company is subject to the limitations of IRC Section 280E under which the Company is only allowed to deduct expenses directly related to sales of product. This results in permanent differences between ordinary and necessary business expenses deemed non-allowable under IRC Section 280E.

The effective tax rate for the three months and nine months ended September 30, 2022 varies from the three months and nine months ended September 30, 2021 primarily due to the change in nondeductible expenses as a proportion of total expenses in the current year. The Company incurs expenses that are not deductible dur to IRC Section 280E limitations which results in significant income tax expense.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all the deferred tax assets will not be realized. The Company's valuation allowance represents the amount of tax benefits that are likely to not be realized. Management assesses the need for a valuation allowance each period and continues to have a full valuation allowance on its deferred tax assets as of September 30, 2022.

The Federal statute of limitation remains open for the 2017 tax year to present. The state statute of limitation remains open for the 2016 tax year to present.

17. Earnings per share (Basic and Dilutive)

The Company computes net income (loss) per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted Earnings Per Share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to Common Stockholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. These potential dilutive shares include 1,187,124 of vested stock options, 7,218,750 stock purchase warrants, and 86,994 shares of Preferred Stock. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

The following is a reconciliation of the numerator and denominator used in the basic and diluted EPS calculations for the three and nine months ended September 30, 2022 and 2021.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Numerator:				
Net income (loss)	$ 1,809,237	$ 968,756	$ 8,871,518	$ 1,689,289
Less: Accumulated preferred stock dividends for the period	(1,784,113)	—	(5,294,132)	—
Net income (loss) attributable to common stockholders	$ 25,124	$ 968,756	$ 3,577,386	$ 1,689,289
Denominator:				
Weighted-average shares of common stock	51,232,943	44,145,709	50,615,437	42,903,008
Basic earnings per share	$ 0.00	$ 0.02	$ 0.07	$ 0.04
Numerator:				
Net income (loss) attributable to common stockholders – dilutive	$ 25,124	$ 968,756	$ 3,577,386	$ 1,689,289
Denominator:				
Weighted-average shares of common stock	51,232,943	44,145,709	50,615,437	42,903,008
Dilutive effect of warrants	2,229,011	—	2,229,011	4,712,670
Dilutive effect of options	1,187,124	—	1,187,124	9,072,962
Dilutive effect of preferred stock	83,305,454	—	83,305,454	—
Diluted weighted-average shares of common stock	137,954,532	44,145,709	137,337,027	56,688,640
Diluted earnings per share	$ 0.00	$ 0.02	$ 0.03	$ 0.03

Basic net loss per share attributable to common stockholders is computed by dividing reported net loss attributable to common stockholders by the weighted average number of common shares outstanding for the reported period. Note that for purposes of basic loss per share calculation, shares of Preferred Stock are excluded from the calculation as of December 31, 2021, as the inclusion of the common share equivalents would be anti-dilutive. As the Company incurred a loss from operations in 2020, shares of Common Stock issuable pursuant to the equity awards were excluded from the computation of diluted net loss per share in the accompanying consolidated statement of operations, as their effect is anti-dilutive.

18. Subsequent Events

In accordance with FASB ASC 855-10, *Subsequent Events*, the Company has analyzed its operations subsequent to September 30, 2022 to the date these consolidated financial statements were issued, and has determined that it does not have any material subsequent events to disclose in these consolidated financial statements.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion should be read in conjunction with our unaudited consolidated financial statements and notes thereto included herein and with our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2021, as filed with the SEC. In addition to our historical unaudited condensed consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q, particularly in Part II, Item 1A, "Risk Factors." See also, "CAUTIONARY NOTE ABOUT FORWARD-LOOKING INFORMATION."

OVERVIEW OF THE COMPANY

Established in 2014 and headquartered in Denver, Colorado, Medicine Man Technologies, Inc., is a cannabis consumer packaged goods company and retailer. The Company's focus is on building the premier, vertically integrated cannabis company by taking operating systems to other states where it can develop a differentiated leadership position. The Company is anchored by a high-performance culture that combines customer-centric thinking and data science to test, measure, and drive decisions and outcomes. The Company currently operates in Colorado and New Mexico.

Results of Operations – Consolidated

The following table sets forth the Company's selected consolidated financial results for the periods, and as of the dates, indicated. The (i) consolidated statements of operations for the three and nine months ended September 30, 2022 and September 30, 2021 and (ii) consolidated balance sheet as of September 30, 2022 and December 31, 2021 have been derived from and should be read in conjunction with the consolidated financial statements and accompanying notes presented in this report.

The Company's consolidated financial statements have been prepared in accordance with GAAP and on a going-concern basis that contemplates continuity of operations and realization of assets and liquidation of liabilities in ordinary course of business.

Revenue segments

The Company has consolidated financial statements across its operating businesses with operating segments of retail, wholesale and other. The Company also accounts for revenue by state within the operating segments of retail, wholesale, and other for the State of Colorado and the State of New Mexico, each of which are reported below.

REVENUE OF OPERATION BY SEGMENT

	For the Three Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Retail	$ 39,759,734	$ 20,741,864	$ 19,017,870	92 %
Wholesale	3,335,252	11,022,519	$ (7,687,267)	(70)%
Other	96,000	70,922	$ 25,078	35 %
Total revenue	$ 43,190,986	$ 31,835,305	$ 11,355,681	36 %

	For the Nine Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Retail	$ 104,386,464	$ 54,083,880	$ 50,302,584	93 %
Wholesale	14,661,268	27,654,965	$ (12,993,697)	(47)%
Other	184,200	165,416	$ 18,784	11 %
Total revenue	$ 119,231,932	$ 81,904,261	$ 37,327,671	46 %

REVENUE OF OPERATION BY STATE

	For the Three Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Colorado	$ 30,953,225	$ 31,835,305	$ (882,080)	(3)%
New Mexico	12,237,761	—	$ 12,237,761	***
Total revenue	$ 43,190,986	$ 31,835,305	$ 11,355,681	36 %

	For the Nine Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Colorado	$ 90,986,990	$ 81,904,261	$ 9,082,729	11 %
New Mexico	28,244,942	—	$ 28,244,942	***
Total revenue	$ 119,231,932	$ 81,904,261	$ 37,327,671	46 %

Revenues for Colorado and New Mexico for the three months ended September 30, 2022, totaled $30,953,225 and $12,237,761, respectively. Revenue for Colorado for the three months ended September 30, 2022 decreased by $882,080, or 3% compared to the prior period. Revenues for New Mexico for the three months ended September 30, 2022 increased $12,237,761 compared to the prior period, as the Company purchased the New Mexico business in the first quarter of 2022. For the three months ended September 30, 2022, Colorado and New Mexico represented 72% and 28%, respectively, of the Company's total revenue.

Revenues for Colorado and New Mexico for the nine months ended September 30, 2022, totaled $90,986,990 and $28,244,942, respectively. Revenue for Colorado for the nine months ended September 30, 2022 increased by $9,082,729, or 11% compared to the prior period. Revenues for New Mexico for the nine months ended September 30, 2022 increased $28,244,942 compared to the prior period, as the Company purchased the New Mexico business in the first quarter of 2022. For the nine months ended September 30, 2022, Colorado and New Mexico represented 76% and 24%, respectively, of the Company's total revenue.

	For the Three Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Total revenue	$ 43,190,986	$ 31,835,305	$ 11,355,681	36 %
Total cost of goods and services	17,226,451	16,779,313	447,138	3 %
Gross profit	25,964,535	15,055,992	10,908,543	72 %
Total operating expenses	14,849,677	11,218,992	3,630,685	32 %
Income (loss) from operations	11,114,858	3,837,000	7,277,858	190 %
Total other income (expense)	(3,712,108)	(1,555,427)	(2,156,681)	139 %
Provision for income taxes (benefit)	5,593,513	1,312,817	4,280,696	326 %
Net income (loss)	$ 1,809,237	$ 968,756	$ 840,481	87 %
Earnings (loss) per share attributable to common shareholders - basic	$ 0.00	$ 0.02	$ (0.02)	(98)%
Earnings (loss) per share attributable to common shareholders - diluted	$ 0.00	$ 0.02	$ (0.02)	(99)%
Weighted average number of shares outstanding - basic	51,232,943	44,145,709		
Weighted average number of shares outstanding - diluted	137,954,532	44,145,709		

Quarter Ended September 30, 2022 Compared to the Quarter Ended September 30, 2021

Revenue

Revenues for the three months ended September 30, 2022 totaled $43,190,986, including (i) retail sales of $39,759,734 (ii) wholesale sales of $3,335,252 and (iii) other operating revenues of $96,000, compared to revenues of $31,835,305, including (i) retail sales of $20,741,864, (ii) wholesale sales of $11,022,519, and (iii) other operating revenues of $70,922 during the three months ended September 30, 2021, representing an increase of $11,355,681 or 36%. The most influential factor driving revenue increases in the third quarter of 2022 as compared to the same period in 2021 is acquisition activity. Revenue for the quarter ended September 30, 2022 included revenue from four consummated acquisitions in Colorado and revenue from the Company's initial entrance into the New Mexico market with the acquisition of R. Greenleaf, which were not in revenue for the same period in 2021. Revenue from wholesale sales decreased, due in large part to continued pricing pressure in the Colorado wholesale market as a result of supply saturation in flower and bulk distillate products.

Cost of Goods and Services

Cost of goods and services for the three months ended September 30, 2022 totaled $17,226,451 compared to cost of goods and services of $16,779,313 during the three months ended September 30, 2021, representing an increase of $447,138 or 3%. Overall cost of goods and services increased due to the same acquisition activities that generated substantial increases in revenue, but the rate at which cost of goods and services increases from acquisition activity occurs at a lower rate than increases in revenue from acquisition activity due to lower wholesale flower pricing in Colorado and substantial vertical integration in New Mexico generating favorable cost savings.

Operating Expenses

Operating expenses for the three months ended September 30, 2022 totaled $14,849,677, compared to operating expenses of $11,218,992 during the three months ended September 30, 2021, representing an increase of $3,630,685 or 32%. This increase is due to increased selling, general and administrative expenses, professional service fees, salaries, benefits and related employment costs, all largely driven by growth from acquisitions.

Other Income (Expense), Net

Other expense, net for the three months ended September 30, 2022 totaled $3,712,108 compared to $1,555,427 during the three months ended September 30, 2021, representing an increase in other expense of $2,156,681 or 139%. The increase in other expenses is due to higher interest payments due on the Company's debt obligations as a result of compounding interest with the passage of time and higher debt balances, which was partially offset this quarter by the revaluation of the derivative liability related to the Investor Notes issued in December 2021 that was recognized as income in the three months ended September 30, 2022.

Net Income (Loss)

As a result of the factors discussed above, we generated net loss for the three months ended September 30, 2022 of $1,809,237, compared to net income of $968,756 for the three months ended September 30, 2021.

	For the Nine Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Total revenue	$ 119,231,932	$ 81,904,261	$ 37,327,671	46 %
Total cost of goods and services	57,173,192	44,692,765	12,480,427	28 %
Gross profit	62,058,740	37,211,496	24,847,244	67 %
Total operating expenses	46,698,772	30,418,486	16,280,286	54 %
Income (loss) from operations	15,359,968	6,793,010	8,566,958	126 %
Total other income (expense)	4,770,919	(3,105,816)	7,876,735	(254)%
Provision for income taxes (benefit)	11,259,369	1,997,905	9,261,464	464 %
Net income (loss)	$ 8,871,518	$ 1,689,289	$ 7,182,229	425 %
Earnings (loss) per share attributable to common shareholders - basic	$ 0.07	$ 0.04	$ 0.03	80 %
Earnings (loss) per share attributable to common shareholders - diluted	$ 0.03	$ 0.03	$ (0.00)	(13)%
Weighted average number of shares outstanding - basic	50,615,437	42,903,008		
Weighted average number of shares outstanding - diluted	137,337,027	56,688,640		

Year to Date September 30, 2022 Compared to the Year to Date September 30, 2021

Revenue

Revenues for the nine months ended September 30, 2022 totaled $119,231,932, including (i) retail sales of $104,386,464 (ii) wholesale sales of $14,661,268 and (iii) other operating revenues of $184,200, compared to revenues of $81,904,261, including (i) retail sales of $54,083,880, (ii) wholesale of $27,654,965, and (iii) other operating revenues of $165,416 during the nine months ended September 30, 2021, representing an increase of $37,327,671 or 46%. The most influential factor driving revenue increases in the first nine months of 2022 as compared to the same period in 2021 is acquisition activity. Revenue for the nine months ended September 30, 2022 included revenue from four new acquisitions in Colorado, which included five new retail dispensaries, and revenue from the Company's initial entrance into the New Mexico market with the acquisition of R. Greenleaf that created an immediate initial portfolio of ten retail dispensaries across the state of New Mexico, none of which were in revenue for the same period in 2021.

Cost of Goods and Services

Cost of goods and services for the nine months ended September 30, 2022 totaled $57,173,192 compared to cost of goods and services of $44,692,765 during the nine months ended September 30, 2021, representing an increase of $12,480,427 or 28%. Year to date cost of goods and services in 2022 increased as compared to 2021 due to the same acquisition activities that generated substantial increases in revenue, but the rate at which cost of goods and services increases from acquisition activity occurs at a lower rate than increases in revenue from acquisition activity due to lower wholesale flower pricing in Colorado and substantial vertical integration in New Mexico generating favorable cost savings.

Operating Expenses

Operating expenses for the nine months ended September 30, 2022 totaled $46,698,772, compared to operating expenses of $30,418,486 during the nine months ended September 30, 2021, representing an increase of $16,280,286 or 54%. This increase is due to increased selling, general and administrative expenses, professional service fees, salaries, benefits and related employment costs, all largely driven by growth from acquisitions.

Other Income (Expense), Net

Other income, net for the nine months ended September 30, 2022 totaled $4,770,919 compared to other expenses, net, of ($3,105,816) during the nine months ended September 30, 2021, representing an increase in income of $7,876,735 or (254)%. The increase in other income, net is primarily due to significant gains recognized in connection with revaluation of the derivative liability related to the Investor Notes for the nine months ended September 30, 2022, partially offset by higher interest payments due on the Company's debt obligations as a result of compounding interest with the passage of time and higher debt balances.

Net Income (Loss)

As a result of the factors discussed above, we generated net income for the nine months ended September 30, 2022 of $8,871,518, compared to net income of $1,689,289 for the nine months ended September 30, 2021.

DRIVERS OF RESULTS OF OPERATIONS & KEY PERFORMANCE INDICATORS

Revenue

The Company derives its revenue from three revenue streams: (i) Retail, which sells finished goods sourced internally and externally to the end consumer in retail stores; (ii) Wholesale, which is the cultivation of flower and biomass sold internally and externally and the manufacturing of biomass into distillate for integration into externally developed products, such as edibles and internally developed products such as vapes and cartridges under the Purplebee's brand; and (iii) Other, which includes other income and expenses, such as, licensing and consulting services, facility design services, facility management services, the Company's Three A Light™ publication, and corporate operations.

Gross Profit

Gross profit is revenue less cost of goods sold. Cost of goods sold includes costs directly attributable to product sales and includes amounts paid for finished goods such as flower, edibles, and concentrates, as well as manufacturing and cultivation labor, packaging, supplies and overhead such as rent, utilities and other related costs. Cannabis costs are affected by market supply. Gross margin measures our gross profit as a percentage of revenue.

Total Operating Expenses

Total operating expenses other than the costs of goods sold consists of selling costs to support customer relations, marketing and branding activities. It also includes an investment in the corporate infrastructure required to support the Company's ongoing business.

Adjusted EBITDA

Adjusted EBITDA is derived from Operating Income, which is adjusted for one-time expenses, merger and acquisition and capital raising costs, non-cash related compensation costs, and depreciation and amortization.

Average Basket Size

Average Basket Size is calculated based on the average dollar value of all total items purchased by a single customer during a single visit to one of the Company's retail dispensary stores. Management monitors and utilizes Average Basket Size to assess consumer preferences and behavior, effectiveness of consistent reward and discount offerings, and product performance. Management believes this metric can be useful to investors for a better understanding of average customer spend and revenue across all Company retail dispensaries.

Recorded Customer Visits

The Recorded Customer Visits metric reports the number of customers that have visited any of the Company's retail dispensary stores and made a purchase. Customer visits are recorded at the time of purchase. If a customer makes multiple purchases in a day, each purchase is counted as an individual visit. Management uses Recorded Customer Visits to monitor and assess Company performance in the markets where it operates, consumer acceptance of the Company's brand and products, customer retention, and store traffic. Recorded Customer Visits is a useful non-financial metric for investors to contextualize the Company's assessment of overall market performance and consumer appetite for cannabis products.

Same Store Sales and Stacked IDs

The Company utilizes Same Store Sales and Stacked Identical Store Sales ("Stacked IDs") to evaluate and monitor organic growth from existing dispensaries. Management believes these metrics are useful for investors to assess management of our retail stores and to distinguish revenue and growth from operations from revenue and growth from acquisitions. Same Store Sales and Stacked IDs are both expressed as a percentage that indicates the relative increase or decrease to revenue for certain retail stores from the relevant previous reporting period, which are reported separately for retail operations in Colorado and New Mexico. Same Store Sales is calculated by comparing revenue from sales for all dispensaries in existence for more than one year against the revenue from the sales for the same dispensaries for a specified previous period. Stacked IDs, which is derived from Same Store Sales, reflects Same Store Sales as adjusted for dating discrepancies to report comparable sales for the identical period of days for a specified previous period.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2022 and December 31, 2021, the Company had total current liabilities of $30,041,901 and $45,263,179, respectively. The decrease is driven by the revaluation of the derivative liability associated with the Investor Notes. As of September 30, 2022 and December 31, 2021, the Company had cash and cash equivalents of $38,725,187 and $106,400,216, respectively to meet its current obligations. The Company had working capital of $41,548,525 as of September 30, 2022, a decrease of $37,594,104 as compared to December 31, 2021. The reduction in cash, and in turn working capital, is primarily driven by expenditure of cash to fund acquisitions and operations.

The Company is an early-stage growth company, generating cash from operational revenue and capital raises. Cash is being reserved primarily for capital expenditures, facility improvements, acquisitions, and strategic investment opportunities. The Company predominantly relies on internal capital that is generated through revenue and any other internal sources of liquidity to meet its short-term and certain long-term capital demands. Management believes the Company's current projected growth, revenue from consummated acquisitions, and revenue from operations will be sufficient to meet its current obligations as they become due. The Company relies on a combination of internal and external capital to meet its long-term obligations, with internal liquidity sourced from revenue from operations and external financing acquired from various sources, including commercial loan arrangements, capital raises and private placement transactions, and cash from the Investor Notes. Management believes this combination of internal revenue and external liquidity will be sufficient to meet the Company's long-term obligations; however, it is possible the Company will seek additional external financing to meet capital needs in the future. The Company maintains the unused portion of the funds received from the Investor Notes for future acquisitions and execution of strategic growth initiatives.

Due to our participation in the cannabis industry and the regulatory framework governing cannabis in the United States, our debt and loan arrangements are sometimes subject to higher interest rates than are market for other industries, which has an unfavorable impact on our liquidity and capital resources. Additionally, the cash requirements to service our debt obligations increase with the passage of time due to interest accrual, which increases constraints on our capital resources and tends to reduce liquidity in the amount of such accruals. We currently anticipate meeting these cash requirements from operating revenue and cash on hand. One of our strategic goals is to stimulate growth through acquisitions, which also tends to negatively impact liquidity during periods when we consummate an identified acquisition. We expect to continue executing this strategy in future periods, meeting such capital requirements in connection therewith from both internal capital and external financing (including unused funds from the Investor Notes), which will decrease liquidity. Additional factors or trends that have impacted or could potentially impact liquidity in future periods include general economic conditions such as market saturation, inflation, and general economic downturn. The Colorado cannabis market has

experienced downward pricing pressure from over-supply of certain cannabis products in the market, which has improved retail margins in current periods but will likely impact the relationship between cost and revenue if and/or when supply is decreased in the Colorado market. Increasing inflation may also negatively impact our liquidity, as our cost of goods and services may increase without corresponding increases to revenue. Increasing inflation and general economic downturn in the United States could also negatively impact revenue to the extent such factors affect consumer behavior.

Cash Flows

Cash Provided by (Used in) Operating, Investing and Financing Activities

Net cash provided by (used in) operating, investing and financing activities for the periods ended September 30, 2022 and 2021 were as follows:

	For the Periods Ended September 30,	
	2022	2021
Net cash provided by (used in) operating activities	$ (3,957,263)	$ 4,814,104
Net cash used in investing activities	(105,117,739)	(75,644,398)
Net cash provided by financing activities	41,399,973	90,761,874

The Company's cash used in operating activities for 2022 is predominantly driven by the gain on derivative liabilities from the Investor Note. The Company's use of cash from investing activities is driven by acquisition of businesses, cannabis licenses, and property, plant and equipment for existing entities such as store remodels. Our cash provided by financing activities is mainly from proceeds from our credit facility, the Investor Notes and the issuance of shares of Common Stock.

CONTRACTUAL CASH OBLIGATIONS AND OTHER COMMITMENTS AND CONTINGENCIES

The following table quantifies the Company's future contractual obligation as of September 30, 2022:

	Total	2022	2023	2024	2025	2026	Thereafter
Notes Payable (*a*)	$ 174,387,022	$ —	$ 2,250,000	$ 3,000,000	$ 40,651,759	$ 128,485,263	$ —
Interest Due on Notes Payable	64,882,707	4,325,445	17,395,558	17,325,242	15,443,743	10,392,719	—
Right of Use Assets	34,246,054	1,242,307	4,646,609	5,244,672	4,653,106	4,211,405	14,247,955
Total	$ 273,515,783	$ 5,567,752	$ 24,292,167	$ 25,569,914	$ 60,748,608	$ 143,089,387	$ 14,247,955

(a) - This amount excludes $42,972,369 of unamortized debt discount and $7,025,206 of unamortized debt issuance costs. See Note 10 - Debt

The Company anticipates using funds from operating activities, and, if needed, additional external financing to support its contractual cash obligations.

OFF-BALANCE SHEET ARRANGEMENTS

As of September 30, 2022 and September 30, 2021, we were not party to any off-balance sheet arrangement that had or was reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources.

Critical Accounting Estimates and Recent Accounting Pronouncements

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The Company believes that of its significant accounting policies (see Note 2 to Financial Statements), the ones that may involve a higher degree of uncertainty, judgment and complexity are revenue recognition, stock based compensation, derivative instruments, income taxes, goodwill and commitments and contingencies are the most important to the portrayal of our financial condition and results of operations and that require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain.

Revenue Recognition and Related Allowances

Our revenue recognition policy is significant because the amount and timing of revenue is a key component of our results of operations. Certain criteria are required to be met in order to recognize revenue. If these criteria are not met, then the associated revenue is deferred until the criteria are met. A contract liability is recorded when consideration is received in advance of the delivery of goods or services. We identify revenue contracts upon acceptance from the customer when such contract represents a single performance obligation to sell our products.

We have three main revenue streams: (i) retail sales, (ii) wholesale sales, and (iii) other revenues from revenues from consulting, licensing, and other miscellaneous sources.

The Company's retail and wholesale sales are recorded at the time that control of the products is transferred to customers. In evaluating the timing of the transfer of control of products to customers, we consider several indicators, including significant risks and rewards of products, our right to payment, and the legal title of the products. Based on the assessment of control indicators, our sales are generally recognized when products are delivered to customers.

The Company's other revenue, typically from licensing and consulting services, is recognized when our obligations to our client are fulfilled which is determined when milestones in the contract are achieved. The Company's revenue from seminar fees is related to one-day seminars and is recognized as earned upon the completion of the seminar. We also recognize expense reimbursement from clients as revenue for expenses incurred during certain jobs.

Stock Based Compensation

We account for share-based payments pursuant to Accounting Standards Codification ("ASC") Topic 718, *Stock Compensation* and, accordingly, we record compensation expense for share-based awards based upon an assessment of the grant date fair value for stock and restricted stock awards using the Black-Scholes option pricing model.

Our stock compensation expense for stock options is recognized over the vesting period of the award or expensed immediately under ASC 718 when stock or options are awarded for previous or current service without further recourse.

Income Taxes

ASC 740, *Income Taxes* requires the use of the asset and liability method of accounting for income taxes. Under the asset and liability method of ASC 740, the Company's deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Our deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Goodwill and Intangible Assets

Goodwill represents the future economic benefit arising from other assets acquired that could not be individually identified and separately recognized. The goodwill arising from our acquisitions is attributable to the value of the potential expanded market opportunity with new customers. Intangible assets have either an identifiable or indefinite useful life. Intangible assets with identifiable useful lives are amortized on a straight-line basis over their economic or legal life, whichever is shorter. Amortizable intangible assets consist of licensing agreements, product licenses and registrations, and intellectual property or trade secrets. Their estimated useful lives range from 3 to 15 years.

Goodwill and indefinite-lived assets are not amortized but are subject to annual impairment testing unless circumstances dictate more frequent assessments. We perform an annual impairment assessment for goodwill during the fourth quarter of each year and more frequently whenever events or changes in circumstances indicate that the fair value of the asset may be less than the carrying amount. Goodwill impairment testing is a two-step process performed at the reporting unit level. Step one compares the fair value of the reporting unit to the carrying amount. The fair value of the reporting unit is determined by considering both the income approach and market approaches. The fair values calculated under the income approach and market approaches are weighted based on circumstances surrounding the reporting unit. Under the income approach, we determine fair value based on estimated future cash flows of the reporting unit, which are discounted to the present value using discount factors that consider the timing and risk of cash flows. For the discount rate, we rely on the capital asset pricing model approach, which includes an assessment of the risk-free interest rate, the rate of return from publicly traded stocks, our risk relative to the overall market, our size and industry and other risks specific to us. Other significant assumptions used in the income approach include the terminal value, growth rates, future capital expenditures and changes in future working capital requirements. The market approaches use key multiples from guideline businesses that are comparable and are traded on a public market. If the fair value of the reporting unit is greater than the carrying amount, there is no impairment. If the reporting unit's carrying amount exceeds its fair value, then the second step must be completed to measure the amount of impairment, if any. Step two calculates the implied fair value of goodwill by deducting the fair value of all tangible and intangible net assets of the reporting unit from the fair value of the reporting unit as calculated in step one. In this step, the fair value of the reporting unit is allocated to all of the reporting unit's assets and liabilities in a hypothetical purchase price allocation as if the reporting unit had been acquired on that date. If the carrying amount of goodwill exceeds the implied fair value of goodwill, an impairment loss is recognized in an amount equal to the excess.

Determining the fair value of a reporting unit is judgmental in nature and requires the use of significant estimates and assumptions, including revenue growth rates, strategic plans, and future market conditions, among others. There can be no assurance that our estimates and assumptions made for purposes of the goodwill impairment testing will prove to be accurate predictions of the future. Changes in assumptions and estimates could cause us to perform an impairment test prior to scheduled annual impairment tests.

We performed our annual fair value assessment on our subsidiaries with material goodwill and intangible asset amounts on their respective balance sheets at December 31, 2021, and determined that no impairment exists. No additional factors or circumstances existed as of September 30, 2022, that would indicate impairment.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

Not applicable.

Item 4. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, we conducted an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act). Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the

Exchange Act is: (i) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, or person performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. ***Legal Proceedings***

On June 7, 2019, the Company filed a complaint against ACC Industries Inc. and Building Management Company B, L.L.C., in state district court located in Clark County, Nevada, alleging, amongst other causes of action, breach of contract, conversion, and unjust enrichment and seeking general, special and punitive damages. On July 17, 2019, the parties stipulated to stay the case in favor of arbitration. On February 25, 2020, ACC Industries Inc. filed a counterclaim against the Company alleging breach of contract. The Company discovered new facts that lead it to believe that a related entity not previously named as a party to the arbitration, ACC Enterprises, LLC ("ACC"), should be brought in as a party to the arbitration. Based upon the new facts, the Company filed a motion to amend the complaint to add new claims and ACC as a party. On September 1, 2020, the arbitrator granted the Company's motion and permitted the Company to amend the complaint to add ACC as a party. On September 1, 2020, the Company filed an amended complaint and added intentional misrepresentation, fraudulent inducement, civil conspiracy, aiding and abetting, successor liability and fraudulent concealment claims. The Company began arbitration proceedings on November 2, 2020. The Company completed arbitration in February 2021. On May 14, 2021, the Arbitrator entered an award in favor of the Company in the aggregate amount of $1,935,273, subject to an offset equal to $150,000, for a total net award of $1,785,273. After the arbitration award was entered, a receiver was appointed over ACC and its affiliates due to the death of the only owner who had a valid cannabis establishment registration agent card. An automatic litigation stay was entered upon the appointment of the receiver. During the receivership, ACC's owners have had internal ownership disputes and ACC has had financial difficulties. The receiver has taken the position that ACC should be liquidated and sold. On April 28, 2022, the receiver received approval from the court to liquidate ACC's assets. On May 24, 2022, upon the completion of a bidding procedure for certain ACC assets, the court approved the sale of certain ACC assets to the only and prevailing bidder. The finality of that sale is in progress and near completion. On July 26, 2022, the court approved a creditors' claim process. The Company has compiled with the claim process and is awaiting formal approval from the receiver. The Company believes its claim will be approved and will continue to participate in the receivership.

On July 6, 2018, the Company filed a complaint in the Eight Judicial Court, Clark County, Nevada against Vegas Valley Growers ("VVG"). In the complaint, the Company alleges breach by VVG of the Technologies License Agreement dated April 27, 2017 entered into between the parties and seeks general, special and punitive damages in the amount of $3,876,850. On August 28, 2018, VVG filed an Answer and Counterclaim against the Company. On August 2, 2019, a jury found in favor of the Company and awarded the Company damages totaling $2,773,321 plus pre- and post-judgment interest and attorneys' fees. In March 2020, VVG filed its opening appeal brief with the Nevada Supreme Court. The Company's response brief was due on May 15, 2020. After VVG filed its opening brief in March 2020, the Company filed a Motion to Strike portions of the brief and record. On August 27, 2020, the court ordered VVG to supplement its brief and the record. On October 27, 2020, the Company, in a joint request with VVG, filed a motion to extend its time to file its answering brief. The Company filed its answering brief in January 2021. VVG's reply brief was filed in March 2021. On July 23, 2021, the Nevada Supreme Court affirmed the trial court's damage award but remanded the case to the trial court to properly calculate post-judgment interest. After the affirmance, VVG filed a petition for rehearing with the Nevada Supreme Court arguing it overlooked or misapprehended material facts in the record. The Company answered the rehearing petition arguing that it did not. On December 22, 2021, the Company received $3,577,200 for most of the outstanding receivable plus interest and legal fees. Requests for costs and fees related to the appeal are currently pending before the district court. The costs were recently awarded by the Court in full. VVG has paid the cost award. The Company believes it has reached a resolution on the outstanding attorney's fees owed to the Company. At that point, a dismissal will be filed on the case.

Item 1A. ***Risk Factors***

There have been no material changes in the risk factors applicable to us from those identified in "Item 1A. Risk Factors" included in our Annual Report on Form 10-K for the period ended December 31, 2021 filed with the Securities and Exchange Commission on March 31, 2022.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

The Company is subject to restrictions on the payment of dividends and other working capital requirements in its loan and debt agreements. See Note 11 to the Financial Statements included in Part I to this Quarterly Report on Form 10-Q for additional information on the Company's indebtedness and related restrictions therein.

Item 3. ***Defaults Upon Senior Securities***

None.

Item 4. ***Mine Safety Disclosures***

Not applicable.

Item 5. ***Other Information***

None.

Item 6. ***Exhibits***

2.1 *	Asset Purchase Agreement, dated September 9, 2022, by and among Medicine Man Technologies, Inc., Double Brow, LLC, Lightshade Labs LLC, Thomas Van Alsburg, Steve Brooks, and John Fritzel
2.2 *	Asset Purchase Agreement, dated September 9, 2022, by and among Medicine Man Technologies, Inc., Double Brow, LLC, Lightshade Labs LLC, Thomas Van Alsburg, Steve Brooks, and John Fritzel
10.1 **	Amendment to Employment Agreement, dated October 12, 2022, between Medicine Man Technologies, Inc. and Nirup Krishnamurthy (Incorporated by reference to Exhibit 10.1 to Medicine Man Technologies, Inc.'s Current Report on Form 8-K filed October 14, 2022 (Commission File No. 00055450))
10.2 * **	Stock Award Agreement, dated September 23, 2022, between Jonathan Berger and Medicine Man Technologies, Inc.
10.3 * +	Preferred Stock Purchase Agreement, dated May 20, 2022, by and among Mission Holdings US, Inc., Medicine Man Technologies, Inc., and the Purchasers party thereto
10.4 * +	Omnibus Amendment, dated July 7, 2022, by and among Mission Holdings US, Inc., Medicine Man Technologies, Inc., and the Investors party thereto
10.5 * +	Brand Partnership Agreement, dated August 23, 2022, by and between Mission Holdings US, Inc. and Medicine Man Technologies, Inc.
10.6 *	Option Agreement, dated August 23, 2022, by and between Mission Holdings US, Inc. and Medicine Man Technologies, Inc.
10.7 * +	Voting Agreement, dated May 20, 2022, by and among Mission Holdings US, Inc., Medicine Man Technologies, Inc., and the Investors party thereto
10.8 * +	Investors' Rights Agreement, dated May 20, 2022, by and among Mission Holdings US, Inc., Medicine Man Technologies, Inc., and the Investors party thereto
10.9 * +	Right of First Refusal and Co-Sale Agreement, dated May 20, 2022, by and among Mission Holdings US, Inc., Medicine Man Technologies, Inc., and the Investors party thereto
10.10 * +	Stockholders Agreement, dated May 20, 2022, by and among Mission Holdings US, Inc., Medicine Man Technologies, Inc., and the Stockholders party thereto
10.11 * **	Form of Indemnification Agreement, dated May 20, 2022, by and between Mission Holdings US, Inc. and Director
31.1 *	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
31.2 *	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32 *	Chief Executive Officer and Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

+ Certain exhibits and schedules to the agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to supplementally furnish copies of any omitted schedules to the Securities and Exchange Commission upon request.

* Furnished herewith.

** Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: November 9, 2022

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye, Chief Executive Officer
(Authorized Officer)

By: /s/ Nancy Huber
Nancy Huber, Chief Financial Officer
(Principal Financial Officer and Chief Accounting Officer)

Exhibit 2.1

EXECUTION VERSION

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of September 9, 2022 by and among (i) Double Brow, LLC, a Colorado limited liability company ("Buyer"), (ii) Medicine Man Technologies, Inc. (d/b/a Schwazze), a Nevada corporation ("Parent") solely for purposes of Section 9.1(f), (iii) Lightshade Labs LLC a Colorado limited liability company ("Seller"), (iv) Thomas Van Alsburg, an individual ("Van Alsburg"), (v) Steve Brooks, an individual ("Brooks,"), (vi) John Fritzel, an individual ("Fritzel" and collectively with Van Alsburg and Brooks, "Equityholders"). Buyer, Seller and Equityholders are sometimes referred to herein as the "Parties" and each, a "Party." Capitalized terms used but not otherwise defined in this Agreement have the meanings set forth on Exhibit A attached hereto.

A. Equityholders collectively hold all of the issued and outstanding equity securities of Seller.

B. Seller is engaged in the business of owning and operating the following retail marijuana store pursuant to the licenses issued by the Governmental Authorities set forth below (the "Business," and each license set forth below, a "Purchased License"):

Business Conducted	Location	Purchased License
Retail Marijuana Store	503 Havana St. Aurora, CO 80010 (the "Aurora Location")	State of Colorado License: 402R-00293 City of Aurora Local License: 21-000112-MSL

C. Seller desires to sell, and Buyer desires to purchase, all of the assets of Seller related to, or which are used in or held for use in connection with, the operation of the Business, pursuant to the terms set forth herein.

ARTICLE I.
PURCHASE AND SALE OF PURCHASED ASSETS; ASSUMPTION OF ASSUMED LIABILITIES

Section 1.1. Purchased Assets; Excluded Assets.

(a) Purchased Assets. Pursuant to the terms set forth herein, at the Closing, Seller will sell, assign, transfer, convey and deliver to Buyer, and Buyer will purchase, acquire and accept from Seller, all of the tangible and intangible assets of Seller related to, or used in or held for use in connection with, the Business, including the assets of Seller set forth on Schedule 1.1(a) (collectively, the "Purchased Assets"), free and clear of all Encumbrances.

(b) Excluded Assets. Notwithstanding anything in this Agreement to the contrary, the Purchased Assets will not include any assets set forth on Schedule 1.1(b) (the "Excluded Assets").

Section 1.2. Assumed Liabilities; Excluded Liabilities.

(a) Assumed Liabilities. Pursuant to the terms set forth herein, at the Closing, Buyer will assume only the Liabilities of Seller specifically identified on Schedule 1.2(a) (the "Assumed Liabilities"), if any.

(b) Excluded Liabilities. Except for the Assumed Liabilities (if any), Buyer will not assume, and Seller will pay, defend, discharge and perform, as and when due, and otherwise retain and remain solely responsible for, all Liabilities that are not expressly included in the Assumed Liabilities (if any), including the Liabilities set forth on Schedule 1.2(b) (such excluded Liabilities, the "Excluded Liabilities").

ARTICLE II.
PURCHASE PRICE AND RELATED MATTERS

Section 2.1. Purchase Price. The aggregate consideration payable by Buyer to Seller for the Purchased Assets is an amount equal to $1,750,000 (the "Purchase Price").

Section 2.2. Payment of Purchase Price at the Closing. At the Closing, and subject to the satisfaction or waiver of all of the conditions set forth in Section 6.1 and Section 6.2:

(a) Cash Consideration. Subject to Section 2.2(c) below (and without duplication for any amounts paid pursuant to Section 2.2 of the Lightshade Denver APA), Buyer will pay, or cause to be paid, the following amounts to the following Persons:

(i) the aggregate amount of Indebtedness identified in the Payoff Letters (the "Closing Date Repaid Indebtedness") pursuant to, and in the amounts and to the Persons specified in, the respective Payoff Letters, if not already paid pursuant to the Lightshade Denver APA;

(ii) the aggregate amount of the Seller Transaction Expenses identified in the Seller Transaction Expenses Invoices (the "Closing Date Seller Transaction Expenses") pursuant to, and in the amounts and to the Persons specified in, the respective Seller Transaction Expenses Invoices, if not already paid pursuant to the Lightshade Denver APA; and

(iii) an amount equal to (A) the Purchase Price, minus (B) the Closing Date Repaid Indebtedness, if any, minus (C) the Closing Date Seller Transaction Expenses, if any, minus (D) the Indemnity Escrow Amount, if any, to Seller, by wire transfer of immediately available funds to an account of Seller designated by Seller in writing prior to the Closing Date.

(b) Indemnity Escrow Amount. Subject to Section 2.2(c) below (and without duplication for any amounts paid pursuant to Section 2.2 of the Lightshade Denver APA), Buyer will deposit an aggregate total of $300,000 (the "Indemnity Escrow Amount") from the proceeds of the Purchase Price payable at the Closing into an escrow account pursuant to an escrow agreement in form and substance mutually agreed upon by the parties (the "Escrow Agreement") for purposes of securing certain obligations of Seller and the Equityholders pursuant to the terms of this Agreement and pursuant to the terms of the Lightshade Denver APA, if not already paid pursuant to the Lightshade Denver APA. The Indemnity Escrow Amount will be held and disbursed pursuant to the terms and conditions of the Escrow Agreement, the Lightshade Denver APA (including Section 8.1(e) thereunder), and this Agreement (including Section 8.1(e)). For the avoidance of doubt, the $300,000 Indemnity Escrow Amount shall be the aggregate total amount deposited by Buyer into an escrow account for purposes of securing certain obligations of Seller and the Equityholders pursuant to the terms of this Agreement and the Lightshade Denver APA.

(c) Other Transaction; No Duplication. The Parties acknowledge and agree that as of the date hereof, the Parties are also entering into the Lightshade Denver APA (together with this Agreement, the "Purchase Agreements"), both Purchase Agreements are based on the same form, and both Purchase Agreements require payment of the Indemnity Escrow Amount and the same (or substantially similar) Closing Date Repaid Indebtedness and Closing Date Seller Transaction Expenses, but payment of such foregoing amounts is only required once under both Purchase Agreements. In the event the transactions contemplated by the Purchase Agreements do not close simultaneously, then, upon the first transaction to close, Buyer will (i) deposit the entire Indemnity Escrow Amount and (ii) pay, or cause to be paid, the entire amount of any Closing Date Repaid Indebtedness and Closing Date Seller Transaction Expenses as is required by the applicable Purchase Agreement, such that, upon closing of the second transaction, no payments will need to be made with respect to the Indemnity Escrow Amount, Closing Date Repaid Indebtedness or the Closing Date Seller Transaction Expenses (and no deduction of the Purchase Price will need to be made therefore pursuant to Section 2.2(a)) under the applicable Purchase Agreement.

Section 2.3. Financial Requirements; Post-Closing Adjustments.

(a) Financial Requirements.

(i) Target Marijuana Inventory. At the Closing, the aggregate value of Marijuana Inventory included in the Purchased Assets located at the Aurora Location and delivered to Buyer will be not less than $50,822, calculated at actual cost-basis, which is equal to the last purchase price paid by Seller to purchase the Marijuana Inventory or Seller's cost of goods sold in manufacturing the applicable Marijuana Inventory, as applicable (the "Target Marijuana Inventory"); and

(ii) Target Cash. At the Closing, the unrestricted cash included in the Purchased Assets and delivered to Buyer at Closing will not be less than $500 in the point-of-sale system contained in the Aurora Location (the "Target Cash").

(b) Post-Closing Adjustments. Within 60 days of the Closing Date, Buyer will prepare its calculation of the Marijuana Inventory and the cash actually delivered by Seller to Buyer at the Closing (the "Closing Statement") and deliver the Closing Statement to Seller for its review. Seller and its professional advisors will have, upon request, reasonable access during regular business hours to Buyer's books and records to the extent necessary for such review. During a period of 30 days following Buyer's delivery of the Closing Statement to Seller (the "Objection Period"), if Seller disagrees with any item set forth in the Closing Statement, Seller will give written notice (the "Objection Notice") to Buyer within the Objection Period, specifying in reasonable detail Seller's disagreement with any such item set forth on the Closing Statement. The Objection Notice must specify those items or amounts as to which Seller disagrees, and Seller will be deemed

to have agreed with all other items contained in the Closing Statement. If Seller does not deliver an Objection Notice within the Objection Period, then Seller will be deemed to have agreed entirely with items set forth on the Closing Statement. If an Objection Notice is delivered within the Objection Period, (i) in the 30-day period following delivery of the Objection Notice, Buyer and Seller will use reasonable efforts to reach an agreement on the disputed items or amounts set forth in the Objection Notice and (ii) if Buyer and Seller are unable to reach an agreement during such 30-day period with respect to all disputed items or amounts, such disputed items or amounts will be resolved by an independent certified public accounting firm ("Settlement Accountant"), to be mutually agreed upon by the Parties. Such costs of the Settlement Accountant will be borne by Buyer and Seller in inverse proportion to their success on the merits in the resolution of the disputed items or amounts. If the actual Marijuana Inventory as set forth on the final Closing Statement, as finally determined pursuant to this Section 2.3(b) (the "Final Closing Statement"), exceeds 110% of the Target Marijuana Inventory or if the cash actually delivered by Seller to Buyer as set forth on the Final Closing Statement exceeds the Target Cash (the aggregate amount of any such excess or excesses, an "Excess"), Buyer will pay to Seller an amount in cash equal to the Excess by wire transfer of immediately available funds, in each case, to an account or accounts designated in writing by Seller within three Business Days. If the actual Marijuana Inventory as set forth on the Final Closing Statement is less than 90% of the Target Marijuana Inventory or if the cash actually delivered by Seller to Buyer as set forth on the Final Closing Statement is less than the Target Cash (the aggregate amount of any such deficiency or deficiencies, a "Deficiency"), Seller will pay an amount in cash equal to the Deficiency by wire transfer of immediately available funds to a bank account or accounts designated in writing by Buyer within three Business Days; provided, however, that Buyer may instead elect to offset such Deficiency from the Indemnity Escrow Amount or from any amounts owed by Buyer to Seller or any Equityholder pursuant to this Agreement or the Lightshade Denver APA.

(c) Purchase Price Allocation; Purchased Assets. For Tax purposes, the parties agree to allocate the Purchase Price and the Assumed Liabilities (if any) (and any other items that are treated as consideration paid by Buyer for applicable Tax purposes as of the Closing Date) among the Purchased Assets pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"), and the methodology set forth on Schedule 2.3(c) (the "Allocation Schedule"), which allocation will be binding on Seller and Equityholders. Buyer, Seller and Equityholders will file Tax Returns in a manner consistent with the Allocation Schedule.

(d) Tax Withholding. Buyer will be entitled to deduct and withhold from any payment contemplated by this Agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, or any provision of state, local or foreign Tax Law; provided, however, if Buyer believes that it will be required to deduct or withhold any such amounts, then Buyer shall provide the payee ten days prior written notice so that such payee may provide Buyer such information, documentation, or certification to reduce or eliminate such deduction or withholding. To the extent that amounts are so withheld, such amounts will be treated for all purposes hereof as having been paid to Seller or such other Person in respect of whom such withholding or deduction was made.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES OF SELLER AND EQUITYHOLDERS

Section 3. Representations and Warranties of Seller and Equityholders. Seller and Equityholders jointly and severally represent and warrant to Buyer, as of the date hereof and as of the Closing, as follows:

(a) Organization; Authority. Seller is a limited liability company duly formed, validly existing and in good standing under the Laws of the State of Colorado. Seller has full limited liability company power and authority, and each Equityholder has the full individual capacity, to enter into this Agreement and the Related Agreements to which Seller or any Equityholder is, or at the Closing will be, a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller and each Equityholder of this Agreement and any other Related Agreement to which Seller or any Equityholder is, or at the Closing will be, a party, the performance by Seller and each Equityholder of its obligations hereunder and thereunder, and the consummation by Seller and each Equityholder of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate, board, limited liability company, manager, debtholder and/or equityholder action on the part of Seller. This Agreement and the Related Agreements to which Seller or any Equityholder is, or at the Closing will be, a party, constitute or will constitute, as applicable, legal, valid and binding obligations of Seller and each Equityholder, enforceable against Seller and each Equityholder pursuant to their respective terms.

(b) Non-Contravention. Neither Seller's nor any Equityholder's execution, delivery or performance of this Agreement or any Related Agreement to which it is, or at the Closing will be, a party, or the consummation of the transactions contemplated hereby or thereby, (i) constitutes or will constitute a breach, violation or infringement of Seller's or such Equityholder's governing documents, if applicable, (ii) constitute or will constitute a breach or violation of or a

default under (with or without due notice or lapse of time or both) any Law, Order or other restriction of any Governmental Authority to which Seller, any Equityholder, the Business or any of the Purchased Asset is subject, (iii) conflicts or will conflict with, results or will result in a breach of, constitutes or will constitute a default under, results or will result in the acceleration of, creates or will create in any party the right to accelerate, terminate, modify or cancel, or will terminate, modify or cancel, or requires or will require any notice under, any material Contract or Permit to which Seller or any Equityholder is a party or by which Seller or any Equityholder is bound or by which the Business or any of the Purchased Assets is bound or affected, (iv) result or will result in the creation or imposition of any Encumbrance upon any of the Purchased Assets, or (v) require or will require any approval, license, certificate, consent, waiver, authorization, novation, notice or other Permit of or to any Person, including any Governmental Authority or any party to any Contract, except for any such approval, license, certificate, consent, waiver, authorization, novation, notice or other Permit that has been obtained or made prior to the Closing, each of which is listed on Schedule 3(b).

(c) Seller's Equity. All of Seller's issued and outstanding equity securities are, and will on the Closing Date be, owned 100% by Equityholders. Except as set forth on Schedule 3(c), there are no Contracts between Seller or any Affiliate of Seller, on the one hand, and any Equityholder or an Affiliate thereof, on the other hand, that relate to or are used related to the Purchased Assets.

(d) Compliance with Laws. Except as set forth on Schedule 3(d), Seller and Equityholders are currently, and since the Lookback Date have been, in compliance, in all material respects, with all applicable Laws in the conduct of the Business prior to the Closing and in connection with the execution, delivery and performance of this Agreement and the Related Agreements and the transactions contemplated hereby or thereby. Seller is currently, and since the Lookback Date has been, in material compliance with (i) all MED rules, including emergency rules and industry bulletins, in each case, as they are released and (ii) all applicable Colorado state and local Laws governing or pertaining to cannabis (including marijuana, hemp and derivatives thereof, including cannabidiol, in each case applicable to the Business.

(e) Title. Except as set forth on Schedule 3(e), Seller has good and valid title to all of the Purchased Assets, free and clear of all Encumbrances.

(f) Contracts. Schedule 3(f)(i) contains a schedule of all Contracts specifically related to the Business (and not related to Seller or the other businesses of Seller generally) to which Seller is a party, including the names of all parties to each such Contract and the effective dates thereof. Seller is not in default or alleged to be in default under any such Contract nor, to Seller's Knowledge, does any default by any other party to any such Contract exist. Further, to Seller's Knowledge, there exists no event, condition or occurrence which, after notice or lapse of time, or both, would constitute a default under any such Contract. Seller is not party to any Contract with respect to the Business that contains restrictive covenants, change of control provisions, non-solicit provisions, non-compete provisions, most favored nations provisions or exclusivity provisions that are binding on Seller with respect to the Business. All of such Contracts related to the Business are, to Seller's Knowledge, in full force and effect and constitute legal, valid and binding obligations of the parties thereto pursuant to their terms, and, except as set forth on Schedule 3(f)(ii), are capable of assignment to Buyer pursuant to this Agreement without any notice to or consent by any other Person. Seller has made available to Buyer a true, complete and correct copy of each such Contract.

(g) Condition; Sufficiency. The tangible Purchased Assets (i) are in good condition and working order and free from material defects, patent and latent, (ii) have been maintained pursuant to good industry practice, (iii) are in good operating condition and repair, in all material respects, except, in each case, for ordinary wear and tear, and (iv) are suitable and sufficient for the purposes for which they are used. The Purchased Assets constitute all of the properties and assets necessary for Buyer to operate the Business in substantially the same manner as conducted by Seller during the 12 months immediately preceding the Closing Date, as currently proposed to be conducted or as required by applicable Law.

(h) No Liabilities. Schedule 3(h) lists all Indebtedness of Seller relating to the Business outstanding as of the date hereof. Except as disclosed on Schedule 3(h) and except for such Liabilities which will be paid off and discharged in full by Seller prior to the Closing Date, Seller has no, and at the Closing will not have any, Liabilities which relate to, encumber, bind or otherwise restrict the Purchased Assets, including Liabilities which may become known or arise only after the Closing Date and which result from actions, events or occurrences on or prior to the Closing Date.

(i) Legal Proceedings. Except as set forth in Schedule 3(i), there is no Legal Proceeding pending or, to Seller's Knowledge, threatened against Seller or any Equityholder that, if adversely determined, would adversely affect the business, prospects, operations, employment, customer or supplier relationships, earnings, properties, or the condition, financial or otherwise, of the Purchased Assets nor is there any Order of any Governmental Authority outstanding against Seller or any Equityholder having, or which, insofar as can be reasonably foreseen, in the future may have, any such effect.

(j) Environmental. To Seller's Knowledge, the Aurora Location is currently, and since the Lookback Date has been, in material compliance with all environmental Laws. The Business has not generated, manufactured, recycled, reclaimed, refined, transported or treated hazardous substances or other dangerous or toxic substances, or solid wastes, and there has been no release or threatened release of any hazardous substances on or off the Aurora Location. To Seller's Knowledge, the Aurora Location contains no in-ground, below or underground storage tanks or containers, either in or not in use. To Seller's Knowledge, no employee or former employee of Seller (or of any current or former subsidiary or other Affiliate) has been exposed to any hazardous material in connection with their employment by the Business. The Business has not caused or experienced past or present events, conditions, circumstances, plans or other matters that: (i) are not in compliance with all environmental Laws; or (ii) may give rise to any statutory, common law or other legal Liability, or otherwise form the basis of any Legal Proceeding based on or relating to hazardous materials. Neither Seller nor any Equityholder has received any notice or indication from any Person advising such Person that Seller is or may be responsible for any investigation or response costs with respect to a release, threatened release or cleanup of chemicals or materials with respect to the Aurora Location.

(k) Taxes. Seller has duly and timely filed (and, prior to the Closing Date, will duly and timely file those currently not due) all Tax Returns required to be filed with respect to the Business, all of which were prepared pursuant to applicable Laws and all of which are materially true correct and complete, for all years and periods (and portions thereof) and for all jurisdictions (whether federal, state, local or foreign) in which any Tax Returns were due, taking into account any extensions granted under Law. Seller has withheld and timely paid all Taxes required to be withheld or paid by it with respect to the Business, and, prior to the Closing Date, will timely pay any such Taxes required to be paid by it as of such time. All applicable sales, use, excise and similar Taxes with respect to the Purchased Assets, to the extent due, were paid by Seller when the Purchased Assets were acquired by Seller, and Seller has collected and paid all applicable sales, use, excise and similar Taxes required to be collected and paid by Seller on the sale of products or taxable services by Seller with respect to the Business. There are no existing Encumbrances for Taxes upon any of the Purchased Assets. No claim has ever been made by any Governmental Authority in a jurisdiction where Seller does not file a particular type of Tax Return or pay a particular type of Tax that Seller is or may be required to file such Tax Return in that jurisdiction or subject to Tax by such jurisdiction. Except as set forth on Schedule 3(k), there is no dispute, audit, examination, investigation or claim concerning any Tax Liability of Seller with respect to the Business, and no action, suit, proceeding or audit has been threatened against or with respect to Seller regarding Taxes with respect to the Business. Seller has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, in each case with respect to the Business. No deficiency for any amount of Tax with respect to the Business has been asserted, written or orally, or assessed by a Governmental Authority against Seller, and Seller does not reasonably expect that any such assertion or assessment of Tax liability will be made. No "excess parachute payment," as defined in Section 280G of the Code (or any similar provision of other applicable Law) will or could result as a direct or indirect result of the transactions contemplated by this Agreement.

(l) Benefits. Schedule 3(l) contains a list of all Employee Benefit Plans, and Seller has provided to Buyer accurate descriptions of all such plans. Each Employee Benefit Plan has been established, documented, maintained, administered, operated and funded in all material respects in accordance with its terms and in compliance with all applicable Laws. Seller has never sponsored, maintained, contributed to, or been required to contribute to, and Seller does not have any and could not reasonably be expected to have any current or future Liability (including any contingent Liability and including on account of having ever had an ERISA Affiliate) under or with respect to, (i) any "employee welfare benefit plan" (as defined in Section 3(1) of ERISA, whether or not subject to ERISA), including any group health plan, (ii) any "employee pension benefit plan" (as defined in Section 3(2) of ERISA, whether or not subject to ERISA) or any other retirement plan, including any such plan that is (or, at any time was) subject to Section 302 or 303 of ERISA, Title IV of ERISA or Section 401(a), 401(k), 408(k), 408(p), 412 or 430 of the Code, or (iii) any "multiemployer plan" (as defined in Section 3(37) or 4001(a)(3) of ERISA or 414(f) of the Code). Seller has not incurred (whether or not assessed), and there exists no condition or set of circumstances in connection with which Seller, Buyer or any of their respective Affiliates could incur, directly or indirectly, any penalty, Tax, fine, Encumbrance or Liability under ERISA (including Sections 409, 502(i) and 502(l) thereof) or Section 4975, 4980B, 4980D, 4980H, 5000, 6721 or 6722 of the Code. Seller has no current or contingent Liability as a result of at any time having an ERISA Affiliate.

(m) Employees. Seller is currently, and since the Lookback Date has been, in compliance in all material respects with all applicable Laws related to employment and employment practices, terms of employment and wages and hours with respect to employees of the Business. Seller has experienced no strikes or work stoppages with respect to the Business. There is no collective bargaining relationship between Seller and any union covering any employee of the Business, no past or pending allegation of unfair labor practices, and no dispute or controversy with any union or other organization purporting to represent any of the employees of the Business. There are no Legal Proceedings pending or, to

Seller's Knowledge, threatened involving a dispute or controversy between Seller and any of its current or former employees employed by the Business. Schedule 3(m) includes a true, correct and complete list of the Business's employees, contractors and consultants, and, for each such Person, such Person's job title, date of hire or engagement, work location, status as active or on leave (including the type of leave and anticipated return date), current base salary or hourly wage rate as applicable, current classification as exempt or non-exempt with respect to Laws governing overtime and minimum wages, full time or part-time status, visa status (including type of visa), if applicable, accrued and unused vacation time, and earned or eligible commission, bonus or any other compensation (if applicable).

(n) Intellectual Property. Seller does not own any material IP related to the Business other than the Excluded Seller IP. All Registered IP is in full force and effect; is valid, subsisting and enforceable; and has been obtained and maintained in compliance with all applicable rules, policies and procedures of the applicable Governmental Authorities. Seller is the sole and exclusive owner of the entire right, title and interest in and to the Owned IP free and clear of all Encumbrances. The Seller IP does not infringe, misappropriate or otherwise violate (collectively, "Infringe(s)") any Person's IP (and has not done so). To Seller's Knowledge, no Person Infringes the Seller IP (and has not done so). There is no Legal Proceeding pending or threatened, pertaining to any Seller IP; and to Seller's Knowledge there is no reasonable basis for any such Legal Proceeding.

(o) Information Technology Systems. All of the computer and network equipment, software and services used or relied upon by Seller in the Business (collectively, "Systems"): (i) are in good working order; (ii) are free of any material defects, bugs and errors; (iii) do not, to Seller's Knowledge, contain any disabling software, code or instructions, spyware, Trojan horses, worms, viruses or other software routines that permit or cause unauthorized access to, or disruption, impairment, disablement, or destruction of any software, data or other materials; and (iv) are sufficient for the existing needs of the Business.

(p) Privacy. Seller's Processing of Personal Information used in the Business is and at all times has been in material accordance with all Laws; and any of its Contract obligations (collectively, "Privacy Obligations"). There has been no loss, damage, unauthorized access, use, modification or other misuse of any Personal Information used in the Business Processed by the Seller ("Seller Data"). Seller has not received notice of and there are no past, pending or, to Seller's Knowledge, threatened Legal Proceedings related to the Processing of Seller Data or any Privacy Obligations related to the Business, and, to Seller's Knowledge there is no reasonable basis for any such claim or Legal Proceeding. Except for disclosures of Personal Information required by applicable Law, Seller has not sold, leased or otherwise made available to any third party any Personal Information used in the Business. The transfer of any Personal Information used in the Business to Buyer, and Buyer's use of such information to carry on the Business will not violate any Privacy Obligations.

(q) Products. All products and services sold, provided or made available by the Business (collectively, "Products") have, since the Lookback Date through the date hereof: (i) conformed with all applicable Laws, Contracts and all applicable express and implied warranties; (ii) to the extent applicable, not been adulterated or misbranded; and (iii) to the extent applicable, been free from contamination or defects. Seller has, since the Lookback Date, been in compliance with all Laws and Contracts applicable to the sale and marketing of all Products. Except as disclosed on Schedule 3(q), since the Lookback Date, no Person has provided any notice, made any claim, or commenced any Legal Proceeding concerning any Product, and, to Seller's Knowledge, there is no reasonable basis for any such claim or Legal Proceeding.

(r) Product and Service Liabilities. There exist no pending, whether known or unknown, or threatened claims against Seller for injury to any Person or property related to the Business as a result of the sale of any product or performance of any service by the Business.

(s) Financial Statements. Schedule 3(s)(i) contains (collectively, the "Financial Statements"): (i) statements of income of for the Business as of December 31 for each of the years 2021 and 2020; and (ii) statements of income for the Business for the seven-month period ended July 31, 2022. The Financial Statements are complete and accurate and fairly present the financial position and results of operations of Seller as of the respective dates thereof, all pursuant to the Company's accounting practices consistently applied throughout the periods indicated, except as disclosed on Schedule 3(s)(ii).

(t) No Changes. Except as set forth on Schedule 3(t) and except in the Ordinary Course of Business, since January 1, 2022, there has not been, in each of the following cases with respect to the Business only, (i) any material adverse change in the assets, Liabilities, financial condition, employee, or customer or supplier relationships of Seller; (ii) any damage, destruction or loss, whether covered by insurance or not, adversely affecting the Purchased Assets or the Business; (iii) any increase in the compensation payable or to become payable to any employees or independent contractors or any adoption of or increase in any bonus, insurance, pension or other employee benefit plan, payment or arrangement made to, for or with any such Person; (iv) any entry into any commitment or transaction outside the Ordinary Course of Business;

(v) any change by Seller in accounting methods, practices or principles; (vi) any termination or waiver of any rights of value to the Business; (vii) any transaction or conduct inconsistent with Seller's past business practices; (viii) any adoption or amendment of any collective bargaining, bonus, profit sharing, compensation, stock option, pension, retirement, deferred compensation, or other plan, agreement, trust, fund or arrangement for the benefit of any employee of Seller; (ix) any other occurrence, action or event which, if it had occurred or taken place after the date hereof would be prohibited by Section 5.1(c); or (x) any Contract made or entered into to do any of the foregoing.

(u) [Intentionally Omitted].

(v) Suppliers. No supplier of the Business that has provided goods or services to the Business representing, individually or in the aggregate, more than $10,000 in payments or commitments within the last 12 months has (i) ceased, or indicated any intention to cease, doing business with Seller, or (ii) materially adversely changed or indicated any intention to materially adversely change any terms or conditions for future sales of products or services from the terms or conditions that existed with respect to the purchase of such products or services during the 12-month period ending on the date hereof.

(w) Permits. Since the Lookback Date Seller has maintained all Permits with respect to the Business in full force and effect, and Seller is currently, and since the Lookback Date has been, in compliance with all such Permits and has filed all registrations, reports and other documents that, in each case, are necessary or required for the operations of the Business as currently operated, or the ownership, lease, use or operation of the assets or properties of the Business. Schedule 3(w) lists all Permits used in the Business, including all Permits associated with the Leased Real Property, and the license numbers set forth on such schedule for each such Permit are accurate, correct and complete. There is no Legal Proceeding pending or Order outstanding or, to Seller's Knowledge, threatened against Seller that would reasonably be expected to adversely affect any such Permit, and, to Seller's Knowledge, there are no facts or circumstances that could reasonably be expected to result in any such Permits being suspended or revoked or otherwise lapsing prematurely. Such Permits will be assigned to Buyer at the Closing and will continue to be in full force and effect immediately following the Closing.

(x) Real Property. Seller does not own and has never owned any real property at the Aurora Location (including any ownership interest in any buildings or structures and improvements located thereon). Seller is not obligated or bound by any options, obligations or rights of first refusal or contractual rights to sell, lease or acquire any real property at the Aurora Location. Schedule 3(x) sets forth a true, complete and correct list of all Contracts pursuant to which Seller leases, subleases, licenses, uses, operates or occupies or has the right to lease, sublease, license, use, operate or occupy, now or in the future, any real property at the Aurora Location (each, whether written, oral or otherwise, a "Real Property Lease," and any real property, land, buildings and other improvements covered by the Real Property Lease, "Leased Real Property"), and for each such Real Property Lease, the address of the Leased Real Property that is the subject of such Real Property Lease. Seller has not assigned, transferred or pledged any interest in any Real Property Lease. There are no leases, subleases, licenses or other Contracts granting to any Person other than Seller any right of use or occupancy of any portion of the Leased Real Property. All of the land, buildings, structures and other material improvements used by Seller are included in the Leased Real Property. Seller has not exercised any option or right to terminate, renew or extend or otherwise affect any right or obligation of the tenant with respect to the Leased Real Property or to purchase any of the Leased Real Property. Seller has good and marketable leasehold title to each parcel of Leased Real Property, in each case, free of all Encumbrances. Seller has not received any written notice of any violation of Laws with respect to any Real Property Lease or any Leased Real Property. There are no pending or, to Seller's Knowledge, threatened or contemplated Legal Proceedings regarding the Leased Real Property.

(y) Brokers. Except as set forth in Schedule 3(y), neither Seller nor any Person acting on Seller's behalf has employed or engaged any financial advisor, broker or finder or incurred any Liability for any financial advisory, brokerage or finder's fee or commission in connection with this Agreement, the Related Agreements or the transactions contemplated hereby or thereby for which Seller or any of its Affiliates is or may become liable.

(z) No Untrue Statements. To Seller's Knowledge, no document, delivery, certificate, representation or warranty made by Seller or any Equityholder in or pursuant to this Agreement contains any untrue statement of a material fact or fails to state a material fact necessary to make the statements herein complete or not misleading.

ARTICLE IV.
REPRESENTATIONS AND WARRANTIES OF BUYER

Section 4. Representations and Warranties of Buyer. Buyer represents and warrants to Seller and Equityholders, as of the date hereof and as of the Closing, as follows:

(a) Organization; Standing and Power. Buyer is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Colorado. Buyer has full limited liability company power and authority

to execute, deliver and perform this Agreement and all Related Agreements to which it is, or at the Closing will be, a party and to consummate the transactions contemplated by this Agreement and each of the Related Agreements to which it is, or at the Closing will be, a party.

(b) Authorization and Non-Contravention. The execution, delivery and performance of this Agreement and the Related Agreements to which Buyer is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by all necessary limited liability company, action. This Agreement and the Related Agreements to which Buyer is, or at the Closing will be, a party each constitute a legal, valid and binding obligation of Buyer, enforceable pursuant to its terms. Buyer's execution, delivery and performance of this Agreement and the Related Agreements to which Buyer is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and thereby does not and will not (i) constitute a breach, violation or infringement of Buyer's governing documents, (ii) constitute a breach or violation of or a default under (with or without due notice or lapse of time or both) any Law, Order or other restriction of any Governmental Authority to which Buyer or any of its assets or properties is subject, (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under, any material Contract or Permit to which Buyer is a party or by which Buyer is bound or by which any of Buyer's assets or properties is bound or affected, (iv) require any Permit, certificate, consent, waiver, authorization, novation or notice of or to any other Person, including any Governmental Authority or any party to any Contract to which Buyer is a party, except, (A) with respect to subsections (ii), (iii) and (iv) as would not materially adversely affect Buyer's ability to consummate the transactions contemplated by this Agreement and (B) with respect to subsection (iv), any Permit, certificate, consent, waiver, authorization, novation or notice that has been obtained or made prior to Closing.

(c) Legal Proceedings. There is no Legal Proceeding pending or, to Buyer's knowledge, threatened against Buyer or any Affiliate that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement or the Related Agreements. To Buyer's knowledge, no event or circumstances exist that may give rise or serve as a basis for any such Legal Proceedings.

(d) Sufficiency of Funds. Buyer has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the other transactions contemplated by this Agreement.

(e) Brokers. Neither Buyer nor any Person acting on Buyer's behalf has employed or engaged any financial advisor, broker or finder or incurred any Liability for any financial advisory, brokerage or finder's fee or commission in connection with this Agreement, the Related Agreements or the transactions contemplated hereby or thereby for which Buyer or any of its Affiliates is or may become liable.

ARTICLE V.
COVENANTS

Section 5.1. Pre-Closing Covenants.

(a) General. During the period commencing on the date hereof and ending on the earlier to occur of the date on which this Agreement is validly terminated pursuant hereto or the Closing (such period, the "Interim Period"), each of the Parties will use reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things reasonably necessary, proper or advisable in order to consummate and make effective the transactions contemplated by this Agreement and the Related Agreements in a prompt and expeditious manner; provided, however, that nothing in this Agreement requires, or will be construed to require, Buyer to take, or to refrain from taking, any action (including agreeing to any concession or arrangement with any Governmental Authority or other Person that would impose any material obligation on Buyer) that would result in any restriction with respect to any properties, assets, business or operations of Buyer or its Affiliates, or to cause its Affiliates to do or agree to do any of the foregoing, whether prior to, at or following the Closing.

(b) Notices and Consents. During the Interim Period, Buyer shall have primary responsibility for, and Seller will reasonably cooperate with Buyer to provide, all notices to Governmental Authorities and other Persons and the Parties shall use commercially reasonable efforts to obtain, in writing, without penalty or condition which is adverse to Buyer or Seller, all consents, Permits, certificates, covenants, waivers, authorizations or novations required in connection with the transactions contemplated by this Agreement and the Related Agreements, including the change of control applications to the MED and the City of Aurora (collectively, the "Regulatory Applications") as expeditiously as commercially reasonably possible. All costs and fees associated with the Regulatory Applications shall be borne and paid for by Buyer. During the Interim Period, each Party will provide to the other Parties a complete copy of all letters, applications or other documents to be submitted by such Party prior to their submission to or promptly after receipt from any Governmental Authority or other Person with respect to the Regulatory Applications, and will afford the other Parties

the opportunity to provide reasonable comment on any letter, application and other document to be submitted by such Party reasonably in advance of the anticipated time of submission. During the Interim Period, each Party will inform the other Parties of the content of any oral submission reasonably in advance of an anticipated oral communication with any Governmental Authority and afford the other Parties the opportunity to comment on any such oral submission. During the Interim Period, each Party will reasonably promptly and regularly advise the other Parties concerning the status of any documents or other communications submitted by such Party relating to the Regulatory Approvals, including any difficulties or delays experienced by such Party in obtaining and any conditions required for such items. During the Interim Period, no Party will permit any of its officers or any other representatives or agents to participate in any meeting with any Governmental Authority with respect to any filings, investigation or other inquiry relating to the transactions contemplated hereby unless it consults with the other Parties in advance and, to the extent permitted by such Governmental Authority, give the other Parties the opportunity to attend and participate thereat. During the Interim Period, neither Seller nor Buyer will: (i) enter into any agreement with any Governmental Authority not to consummate the transactions contemplated by this Agreement or the Related Agreements without the prior written consent of the other; or (ii) take any other action that would be reasonably likely to prevent or materially delay the receipt of any such consent, approval, waiver, authorization, notice or novation.

(c) Operation and Preservation of Business. During the Interim Period, without the prior written consent of Buyer, Seller will not, and Equityholders will cause Seller to not, engage in any practice, take any action or enter into any transaction outside of the Ordinary Course of Business with respect to the Business, except for any action expressly required by this Agreement. During the Interim Period, without the prior written consent of Buyer, Seller will not, and Equityholders will cause Seller not to, in each of the following cases, with respect to the Business only, engage in any practice, take or fail to take any action or enter into any Contract or transaction that could reasonably be expected to cause the representations and warranties of Seller and Equityholders contained herein to be untrue at any time between the date hereof and the Closing. During the Interim Period, Seller will conduct, and Equityholders will cause Seller to conduct, the Business in the Ordinary Course of Business and in material compliance with all Laws, and will keep the Business and its assets and properties, including Seller's present operations, physical facilities, licenses, working conditions, insurance policies, goodwill and relationships with lessors, licensors, suppliers, customers, employees and other business relations substantially intact, open and operational. Without limiting the generality of the foregoing, during the Interim Period, Seller will not, and Equityholders will cause Seller not to, without the prior written consent of Buyer, take any of the following actions, in each case with respect to the Business or Purchased Assets, as applicable, only: (i) amend, extend or terminate any material Contract or enter into any Contract, which if entered into prior to the date hereof, would be a material Contract; (ii) incur any Liability (including any Indebtedness) other than in the Ordinary Course of Business; (iii) dispose of or encumber any assets of Seller other than in the Ordinary Course of Business; (iv) increase any compensation or benefits of any employees or independent contractors of Seller or establish any new compensation or benefit plan; (v) hire, retain, engage or terminate any employee or independent contractor, move any employee or independent contractor from the Aurora Location to another store or location, or make any other material personnel changes; (vi) accelerate any accounts receivable, delay or postpone any capital expenditure or the payment of accounts payable or other Liabilities, or change, in any material respect, Seller's practices in connection with the making of capital expenditures or the payment of accounts payable; (vii) grant any Person any license of or other right to IP other than non-exclusive licenses of Products granted in the Ordinary Course of Business; (viii) except as required as a result of a change in Law after the date hereof, change any of the financial accounting principles or practices of Seller; (ix) commence or settle any Legal Proceeding; (x) issue any equity interests or debt securities or repurchase or cancel any equity interests or debt securities of Seller; (xi) declare, set aside, or pay any non-cash dividend or make any non-cash distribution with respect to any equity securities of Seller or enter into any Contract with any of Equityholders; (xii) take any action that would reasonably be expected to have a material and adverse effect on the Business or the Purchased Assets; (xiii)(A) change or make any Tax election, (B) adopt or change any Tax accounting methods, (C) amend a Tax Return, (D) agree to any claims for Tax adjustments or assessments, or (E) settle any Tax claim, audit or assessment; (xiv) induce, encourage, solicit, or otherwise cause or attempt to cause any customer of the Business to move their business to another store owned or operated by Seller; provided, however, that this Section 5.1(c)(xiv) will not prohibit any general advertising or other action that is not specifically directed at customers of the Business; or (xv) agree or commit to take any of the actions described in clauses (i) through (xiv) above.

(d) Preservation of Inventory. During the Interim Period, Seller will, and each Equityholder will cause Seller to, use its reasonable efforts to maintain and preserve all inventory associated with the Business in a good and saleable condition, including being non-expired and free from mildew, fungus, rot, spoilage and agricultural neglect. During the Interim Period, Seller will maintain at least substantially similar levels of inventory of flower, trim, concentrate and edibles at the Business location as Seller has maintained over the 12 months prior to the date hereof.

(e) Access. The Parties agree that, during the Interim Period and in compliance with the applicable laws of the state of Colorado, Buyer and its authorized agents and representatives will have the right to, upon reasonable notice: (i) inspect and audit the books and records of the Business, (ii) access facilities at the Aurora Location; and (iii) consult with Seller's officers, directors, managers, employees, attorneys, auditors and accountants concerning customary due diligence, employment, employee benefits and other matters, in each case as related to the Business. Such access will be during the regular hours of the Business and in a manner not to unreasonably interfere with the normal business operations of the Business.

(f) Notice of Developments. During the Interim Period, Seller will, and Equityholders will cause Seller to, give prompt written notice to Buyer of any event, occurrence or development causing, or allegation by a third party which, if true, would cause, or which would reasonably be expected to cause: (i) a breach or inaccuracy of any of the representations and warranties in Article III; (ii) any breach or nonperformance of or noncompliance with any covenant or agreement of Seller or any Equityholder in this Agreement or any Related Agreement; (iii) the failure of any condition set forth in Section 6.1; (iv) any material damage to or loss or destruction of any properties or assets owned or leased or otherwise used, or held for use, by Seller (whether or not insured); or (v) the occurrence or threatened occurrence of any event or condition which resulted in, or could reasonably be expected to result in, a material and adverse effect on the Business or the Purchased Assets. No disclosure by any Party pursuant to this Section 5.1(f) will be deemed to amend or supplement the schedules to this Agreement or prevent or cure any misrepresentation, breach of warranty, or breach of covenant, agreement or obligation.

(g) Exclusivity. During the Interim Period, neither Seller nor any Equityholder will, and each will cause each of such Person's respective officers, employees, directors, managers, members, partners, equityholders, advisors, representatives, agents and Affiliates not to, directly or indirectly solicit, initiate, encourage (including by way of furnishing information), or take any other action to facilitate any inquiry or the making of any proposal which constitutes, or could reasonably be expected to lead to, any acquisition or purchase of a substantial portion of the assets, equity interests or other securities of the Business or any tender offer or exchange offer, merger, consolidation, business combination, sale of substantially all assets, sale of securities, recapitalization, spin-off, liquidation, dissolution or similar transaction involving the Business, or any other transaction, the consummation of which would or could reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement or any Related Agreement (any of the foregoing, an "Alternate Transaction Proposal") or agree to or endorse any Alternate Transaction Proposal. Seller and each Equityholder will promptly notify Buyer of any Alternate Transaction Proposal and provide a summary of the material terms thereof.

Section 5.2. Post-Closing Covenants.

(a) Restrictive Covenants.

(i) From and after the Closing, Seller and Equityholders will keep confidential and not disclose to any other Person or use for such Person's own benefit or the benefit of any other Person any confidential or non-public information specifically related to the Business (and which is not used in the other businesses of Seller) or the Purchased Assets. The obligation of Seller, Equityholders and their Affiliates under this Section 5.2(a)(i) will not apply to information that is or becomes generally available to the public without breach of the commitment provided for in this Section 5.2(a)(i) or is required to be disclosed by applicable Law; provided, however, that, in the case of a required disclosure, Seller, Equityholders or such other Person, as applicable, will notify Buyer as early as reasonably practicable prior to disclosure to allow Buyer to take appropriate measures to preserve the confidentiality of such information.

(ii) As a material inducement to Buyer to enter into and perform its obligations under this Agreement, Seller and each Equityholder agree that, from the Closing Date through the three-year anniversary of the Closing Date (the "Non-Compete Restricted Period"), Seller and each Equityholder will not, and will cause their respective Affiliates not to, directly or indirectly own any interest in, manage, control, participate in (whether as an owner, officer, director, manager, employee, partner, agent, representative or otherwise), consult with, render services for, become employed by, or in any other manner engage in the retail sale of cannabis or cannabis product within the Restricted Area, provided, however, that Equityholders (and their applicable Affiliates) may engage in the ownership and operation of the recreational marijuana dispensaries currently owned and operated by Seller or any Equityholder located in Aurora, Colorado. Nothing herein will prohibit any such Person from being a passive owner of not more than two percent of the outstanding stock of any class of a corporation involved in the cannabis business that is publicly traded. "Restricted Area" means any area within a two-mile radius of the Aurora Location.

(iii) As a material inducement to Buyer to enter into and perform its obligations under this Agreement, from the Closing Date through the two-year anniversary of the Closing Date (the "Non-Solicit Restricted Period"), Seller and each Equityholder: (A) will not, and will cause their respective employees, officers, directors, managers,

agents and Affiliates not to, directly or indirectly contact, approach or solicit for the purpose of offering employment to or hiring (whether as an employee, consultant, agent, independent contractor or otherwise) or actually hire any Person employed by Buyer or its Affiliates (or any successor to the Business); provided, however, that this Section 5.2(a)(iii)(A) will not prohibit any such Person from conducting any general solicitations in a newspaper, trade publication or other periodical or web posting not specifically targeted at any Person employed by Buyer or its Affiliates (or any successor to the Business); and (B) will not induce or attempt to induce any person or entity, who during the one-year period prior to Closing, was a customer or other business relation of the Business to terminate its relationship or contract with Buyer or its Affiliates, to cease doing business with Buyer or its Affiliates, or in any way adversely interfere with the relationship between any such customer or business relation and Buyer or its Affiliates; provided, however, that this Section 5.2(a)(iii)(B) will not prohibit any general advertising or other action that is not specifically directed at customers or other business relations of the Business.

(iv) From and after the Closing, neither Seller nor any Equityholder on the one hand, nor Buyer on the hand, will, and will cause their respective employees, officers, directors, managers, agents and Affiliates not to, directly or indirectly denigrate, defame or disparage the other party(ies) or its Affiliates and their respective equityholders, managers, directors, officers, employees, independent contractors or representatives or the Business.

(v) Seller and each Equityholder, on the one hand, and Buyer, on the other hand, each acknowledge and agree that, in the event of a breach or alleged breach by such party(ies) of any of the provisions of this Section 5.2(a), monetary damages will not constitute a sufficient remedy. Consequently, in the event of any such breach or alleged breach, the other party(ies), their Affiliates and their successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance, injunctive relief, or both, or any other equitable remedies available to enforce or prevent any violations of the provisions hereof (including, without limitation, the extension of the Non-Compete Restricted Period or Non-Solicit Restricted Period, as applicable, by a period equal to (A) the length of the violation of this Section 5.2(a) plus (B) the length of any court proceedings necessary to stop such violation), in each case, without the requirement of posting a bond or proving actual damages.

(b) Inability to Assign Assets. Notwithstanding anything to the contrary contained in this Agreement or in any Related Agreement, to the extent that the assignment or attempted assignment to Buyer of any Contract or Permit that is included among the Purchased Assets and is set forth on Schedule 1.1(a)(iii) (each, an "Assigned Contract"), if any, or any claim, right or benefit arising thereunder or resulting therefrom, is prohibited by any Law, or would require any consent, waiver, authorization, notice or novation by any Person, and such consent, waiver, authorization, notice or novation has not been obtained or made prior to the Closing in a form and substance reasonably acceptable to Buyer, or with respect to which any attempted assignment would be ineffective or would materially and adversely affect the rights of Seller or Buyer thereunder, then neither this Agreement nor any Related Agreement will constitute an assignment or attempted assignment thereof, and the same will not be assigned at the Closing. If any consent, waiver, authorization, novation or notice that is necessary for the effective assignment to Buyer of any Assigned Contract (if any) cannot be obtained or made and, as a result, the material benefits of such Assigned Contract (if any) cannot be provided to Buyer following the Closing as otherwise required pursuant to this Agreement, then Seller will use commercially reasonable efforts to, with respect to any such Assigned Contracts (if any), for a period of six months, cooperate with Buyer in any reasonable arrangement designed to provide Buyer with the rights and benefits under such Assigned Contract (if any), including enforcement for the benefit of Buyer of any and all rights of Seller against any other party to such Assigned Contract (if any) arising out of any breach or cancellation of such Assigned Contract (if any) by such other party and, if requested by Buyer, acting as an agent on behalf of Buyer. Once any such consent, waiver, authorization, or novation is obtained or notice is properly made in form and substance reasonably acceptable to Buyer, Seller will assign such Assigned Contract (if any) to Buyer at no additional cost to Buyer.

(c) Post-Closing Payments. After the Closing, Seller and Equityholders will cause any financial institution to which any cash, deposits, online payments, cybercurrency, checks or other instruments of payment are delivered to an account not transferred to Buyer at the Closing with respect to the Purchased Assets or the Assumed Liabilities (if any), including, without limitation, funds relating to any accounts receivable or any other Purchased Assets, through any "lock-box" or similar arrangement, to immediately remit same to Buyer, but in all cases within five Business Days after receipt thereof. Seller will periodically provide Buyer with such additional evidence or supporting detail as Buyer may reasonably request regarding particular payments or outstanding accounts included in the Purchased Assets or the Assumed Liabilities (if any).

(d) Apportionment of Taxes and Cooperation. Notwithstanding any other provision of this Agreement, Seller and Equityholders will be jointly and severally liable and will indemnify Buyer for all Taxes attributable to the ownership or sale of the Business or Purchased Assets or any operations of Seller for all taxable periods (or portions thereof)

ending on or before the Closing Date ("Pre-Closing Taxes"). Taxes that are real, personal or intangible property Taxes and similar ad valorem obligations that are imposed on a periodic basis levied with respect to any tax period beginning on or before and ending after the Closing Date will be allocated proportionally as Pre-Closing Taxes based on the number of days in such Tax period included in the period (or portion thereof) ending on or prior to the Closing. If Buyer makes a payment of any Pre-Closing Taxes or any Taxes specified below, it will be entitled to prompt reimbursement from Seller or Equityholders for such Taxes upon presentation to Seller of evidence of such payment. Seller and Equityholders will be jointly and severally liable to, and will indemnify, Buyer for any sales, use, documentary, recording, stamp, value added, excise, transfer or similar Taxes arising from the sale of the Purchased Assets or the transactions contemplated by this Agreement ("Transfer Taxes"), and Seller will timely file any Tax Return or other necessary documentation with respect to such Transfer Taxes. Claims arising under this Section 5.2(d) will survive for the full period of any applicable statute of limitations plus an additional 60 days. After the Closing, Buyer, Seller and each Equityholder shall: (i) assist the other Party in preparing any Tax Returns which such other party is responsible for preparing and filing; and (ii) make available to the other party and to any Governmental Authority as reasonably requested, all information, records and documents relating to Taxes relating to the Business or Purchased Assets.

Section 5.3. Release of Claims(a) . Effective as of the Closing, except with respect to (a) Seller and each Equityholder's rights under this Agreement and the Related Agreement, including any rights to any Legal Proceeding to enforce the terms of or any breach of this Agreement or any Related Agreement, and (b) if (and only if) Equityholder is an officer, manager or director of Seller, any rights, if any, with respect to any directors' and officers' liability insurance policy protecting Equityholder in such position, each Equityholder and Seller (collectively, the "Releasors"), unconditionally and irrevocably waives, releases and forever discharges Buyer and each of its Affiliates (each, a "Released Person"), from any past, present or future dispute, claim, controversy, demand, right, obligation, Liability, action or cause of action of any kind or nature, whether unknown, unsuspected or undisclosed, related to any matters, causes, conditions, acts, conduct, claims, circumstances or events arising out of or related to the Business, and none of any Equityholder, Seller or any other Releasor will seek to recover any amounts in connection therewith or thereunder from any Released Person.

Section 5.4. Employee Matters.

(a) Seller agrees to use its commercially reasonable efforts to assist Buyer in its efforts to employ any employees of the Business requested by Buyer, including those scheduled on Schedule 5.4(a)(i), and engage any independent contractors of Seller requested by Buyer, including those listed on Schedule 5.4(a)(ii). Buyer agrees to offer employment to substantially all of the employees of Seller set forth on Schedule 5.4(a)(i) which are employed by Seller as of the Closing (including any replacements thereof); provided that, notwithstanding anything to the contrary herein, Buyer will not be required to offer employment to, and may not offer employment to, without Seller's prior written consent, those employees of Seller who manage corporate operations of Seller and are listed on Schedule 5.4(a)(iii) (the "Excluded Employees"). Any employees of Seller who accept employment with Buyer, execute any documents required by Buyer to be executed in connection therewith and begin employment with Buyer are referred to herein collectively as the "Transferred Employees."

(b) Buyer will have no obligation to offer employment to, and will have no Liability to, any employee of Seller, including any employee who, on the Closing Date, is not actively employed by Seller or any Excluded Employee. Seller will bear all responsibility for, and related costs associated with the termination of any of its employees, including complying with applicable Laws. Prior to the Closing, Seller will terminate, effective no later than as of the close of business on the Business Day immediately preceding the Closing Date, all employees (other than Excluded Employees) of Seller who have not been made any offer of employment with Buyer or declined employment with Buyer. Simultaneously with such termination, Seller will pay each such terminated employee and each such terminated independent contractors all amounts owed and due under Law, and all other amounts due and owed (including termination or severance pay) in accordance with any contract or Law.

(c) Nothing contained in this Agreement, any Related Agreement or any other document contemplated hereby or thereby will confer upon any Transferred Employee or any other present or former employee of Seller any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement, any Related Agreement or any other document contemplated hereby or thereby, including any right to employment or continued employment or to any compensation or benefits that may be provided, directly or indirectly, under any employee benefit plan, policy or arrangement of Buyer, nor will anything contained in this Agreement, any Related Agreement or any other document contemplated hereby or thereby constitute a limitation on or restriction against the right of Buyer to amend, modify or terminate any such plan, policy or arrangement or compensation, benefits or other terms or conditions of employment.

(d) Seller and Buyer agree that Seller will be liable for all Liabilities of Seller with respect to Seller's employees and independent contractors (including all Transferred Employees) arising or accruing prior to the Closing Date and including any employment Taxes imposed with respect to any payments of compensation to employees and independent contractors arising in connection with the transactions contemplated by this Agreement, regardless of whether arising at or before the Closing, and Buyer will be and become liable for all employment-related Liabilities of the Transferred Employees and all Liabilities first arising after the Closing Date.

Section 5.5. Use of Name. Seller hereby grants Buyer a non-exclusive, non-transferrable, sublicensable license to display, copy, and otherwise use the "Lightshade" name and any logos or branding associated therewith, for a period of 30 days immediately following the Closing, including but not limited to displaying such name, logos and/or branding at the Aurora Location, and any associated online content, marketing collateral and other materials.

ARTICLE VI.
CONDITIONS TO CLOSING

Section 6.1. Conditions to the Obligation of Buyer to Closing. The obligations of Buyer to consummate the transactions contemplated by this Agreement and the Related Agreements are subject to the satisfaction at or before the Closing of all of the following conditions, any one or more of which may be waived by Buyer, in Buyer's sole discretion:

(a) Representations and Warranties. All of the representations and warranties made by Seller and Equityholders in this Agreement must be true and correct in all material respects as of the date hereof and at and as of the Closing as though made on the Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case, such representations and warranties must be true and correct in all material respects as of such specified date); provided, however, that, the Fundamental Representations and such representations and warranties that are qualified by Materiality Qualifiers (as so qualified) must be true and correct in all respects.

(b) Covenants. Seller and Equityholders must have performed and complied in all material respects with all of their respective covenants, obligations and agreements in this Agreement to be performed and complied with at or before the Closing.

(c) Proceedings. No Legal Proceeding will be pending or threatened with respect to Seller, Equityholders or the Business in which an unfavorable Order would: (i) prevent or materially impair the consummation of any of the transactions contemplated by this Agreement or any Related Agreement; or (ii) cause any of the transactions contemplated by this Agreement or any Related Agreement to be rescinded following consummation (and no such Order will be in effect).

(d) Seller Deliveries. Seller must have delivered to Buyer or have caused to be delivered to Buyer each of the following documents at or before the Closing:

(i) a certificate executed by a duly authorized officer of Seller and Equityholder, dated as of the Closing Date, certifying that (A) as to Seller and Equityholder, as applicable, each of the conditions specified in Sections 6.1(a), 6.1(b), 6.1(c), 6.1(e) and 6.1(f) are satisfied in all respects, (B) attached thereto are true, complete and correct copies of the resolutions of the managers of Seller authorizing the execution, delivery and performance of this Agreement and the Related Agreements and the consummation of the transactions contemplated herein and therein, as are then in full force and effect and (C) attached thereto are good standing certificates, dated as of a recent date prior to the Closing Date, from the Governmental Authority of the jurisdiction of Seller's incorporation or organization and each other jurisdiction in which Seller is qualified to do business (the "Closing Certificate");

(ii) the Bill of Sale, duly executed by Seller;

(iii) a copy of Schedule A (Effective Date of Change of Ownership) to any contingent Regulatory Approval letter received by Buyer or Seller from the MED that is fully executed by Seller;

(iv) duly completed and executed IRS Forms W-9 from Seller and any other Person receiving any payments from Buyer pursuant to this Agreement or any Related Agreement;

(v) no later than one Business Day prior to the Closing Date, a payoff letter from each lender of Seller or other holder of Closing Date Repaid Indebtedness or any Encumbrance with respect to the Purchased Assets contemplated to be repaid on the Closing Date, reasonably acceptable to Buyer, including that all Encumbrances on the properties or assets of Seller, including any Purchased Asset, will automatically be released upon the satisfaction of the conditions in such letter (each, a "Payoff Letter");

(vi) no later than one Business Days prior to the Closing Date, an invoice from each holder of Seller Transaction Expenses contemplated to be repaid on the Closing Date in customary form and reasonably acceptable to Buyer (the "Seller Transaction Expenses Invoices");

(vii) a Lease Estoppel Certificate and Lease Assignment with respect to each Real Property Lease, duly executed by the applicable landlord and Seller, in form reasonably satisfactory to Buyer;

(viii) evidence reasonably satisfactory to Buyer of the release of all Encumbrances with respect to the Purchased Assets;

(ix) evidence reasonably satisfactory to Buyer of the consent or approval of, and the giving of all notices to, those Persons whose consent or approval is required, or who are entitled to notice, in connection with Seller's execution, delivery and performance of this Agreement and the Related Agreements to which Seller is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and thereby, including the consents of and notices to the Persons listed on Schedule 3(f)(ii); and

(x) such other instruments, documents and certificates as are required by the terms of this Agreement and the Related Agreements, or as may be reasonably requested by Buyer in connection with the consummation of the transactions contemplated herein.

(e) No Material Adverse Effect. There will have been no event, fact, change or occurrence having a material and adverse effect on the Business or any of the Purchased Assets.

(f) Regulatory Approvals. The Parties will have received the necessary Regulatory Approvals from each of (i) the MED and (ii) the city of Aurora, Colorado, each of which will be in full force and effect as of the Closing.

Section 6.2. Conditions to the Obligation of Seller and Equityholders to Close. The obligations of Seller and Equityholders to consummate the transactions contemplated by this Agreement and the Related Agreements are subject to the satisfaction at or before the Closing of all of the following conditions, any one or more of which may be waived by Seller, in its sole discretion:

(a) Representations and Warranties. All of the representations and warranties made by Buyer in this Agreement must be true and correct in all material respects as of the date hereof and at and as of the Closing as though made on the Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case, such representations and warranties must be true and correct in all material respects as of such specified date); provided, however, that such representations and warranties that are qualified by Materiality Qualifiers (as so qualified) must be true and correct in all respects.

(b) Covenants. Buyer must have performed and complied in all material respects with all of its covenants, obligations and agreements under this Agreement to be performed or complied with at or before the Closing, including, without limitation, the payment of the Purchase Price.

(c) Buyer Deliveries. Buyer will have delivered to Seller each of the following at or before the Closing:

(i) a certificate executed by a duly authorized officer of Buyer, dated as of the Closing Date, certifying that each of the conditions specified above in Sections 6.2(a) and 6.2(b) is satisfied in all respects;

(ii) the Bill of Sale, duly executed by Buyer;

(iii) the Lease Estoppel Certificate and Lease Assignment, duly executed by Buyer; and

(iv) a copy of Schedule A (Effective Date of Change of Ownership) to any contingent Regulatory Approval letter received by Buyer or Seller from the MED that is fully-executed by Buyer.

Section 6.3. Closing. The closing of the transactions contemplated by this Agreement and the Related Agreements (the "Closing") will take place by email (in portable document format) transmission to the respective offices of legal counsel for the Parties of the requisite documents, duly executed where required, delivered upon actual confirmed receipt, on the fourth Business Day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby set forth in Section 6.1 and Section 6.2 (other than conditions with respect to actions the respective Parties will take at the Closing itself) or such other place, date and time as mutually agreed upon by the Parties (the "Closing Date").

ARTICLE VII.
TERMINATION

Section 7.1. Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) Buyer and Seller, on its own behalf and on behalf of Equityholders, may terminate this Agreement by mutual written consent.

(b) Buyer may terminate this Agreement by giving written notice to Seller:

(i) in the event that Seller or any Equityholder breaches any representation, warranty, covenant, obligation or agreement contained in this Agreement in any respect, and such breach or breaches, individually or collectively, would, if occurring or continuing on the Closing Date, give rise to the failure of a condition set forth in Section 6.1 to be satisfied, Buyer notifies Seller of the breach, and the breach, if capable of cure, continues without cure for a period of ten days after the notice of breach (provided that Buyer may not terminate this Agreement pursuant to this subsection if Buyer is then in breach of any of its representations, warranties, covenants, obligations or agreements contained in this Agreement which would give rise to the failure of a condition set forth in Section 6.2 to be satisfied);

(ii) if the Closing has not occurred on or before 180 days after the date in which the Parties submit the Regulatory Applications (the "Outside Date") (provided that Buyer may not terminate this Agreement pursuant to this subsection if such failure results primarily from Buyer breaching any representation, warranty, covenant, obligation or agreement contained in this Agreement);

(iii) an applicable Law or final, non-appealable Order by a U.S. federal or state court of competent jurisdiction will have enacted, entered, enforced, promulgated, issued or deemed applicable to the transactions contemplated by this Agreement that prohibits the Closing;

(iv) all of the conditions to close set forth in Section 6.1 and Section 6.2 have been satisfied or waived, Buyer stands ready to consummate the Closing and Seller nevertheless refuses to consummate the Closing within the time period set forth in Section 6.3 (provided that Buyer may not terminate this Agreement pursuant to this subsection unless Buyer has delivered a written notice on or after the date by which the parties are required to close pursuant to Section 6.3 of Buyer's intention to terminate the Agreement and Seller has not consummated the Closing within three (3) Business Days after receipt of such notice); or

(v) the Regulatory Approvals cannot reasonably be obtained due to Seller's failure to provide any necessary documents or information, or failure to take any necessary action, as described further in Section 5.1(b) above (provided that Buyer may not terminate this Agreement pursuant to this subsection if this Agreement is then terminable by Seller pursuant to Section 7.1(c)(v)).

(c) Seller, on its own behalf and on behalf of Equityholders, may terminate this Agreement by giving written notice to Buyer:

(i) in the event that Buyer breaches any representation, warranty, covenant, obligation or agreement contained in this Agreement in any respect, and such breach or breaches, individually or collectively, would, if occurring or continuing on the Closing Date, give rise to the failure of a condition set forth in Section 6.2 to be satisfied, Seller notifies Buyer of the breach, and the breach, if capable of cure, continues without cure for a period of ten days after the notice of breach (provided that Seller may not terminate this Agreement pursuant to this subsection if Seller or any Equityholder is then in breach of any of its representations, warranties, covenants, obligations or agreements contained in this Agreement which would give rise to the failure of a condition set forth in Section 6.1 to be satisfied);

(ii) if the Closing has not occurred on or before the Outside Date (provided that Seller may not terminate this Agreement pursuant to this subsection if such failure results primarily from Seller or any Equityholder breaching any representation, warranty, covenant or agreement contained in this Agreement);

(iii) an applicable Law or final, non-appealable Order by a U.S. federal or state court of competent jurisdiction will have enacted, entered, enforced, promulgated, issued or deemed applicable to the transactions contemplated by this Agreement that prohibits the Closing;

(iv) all of the conditions to close set forth in Section 6.1 and Section 6.2 have been satisfied or waived, Seller stands ready to consummate the Closing and Buyer nevertheless refuses to consummate the Closing within the time period set forth in Section 6.3 (provided that Seller may not terminate this Agreement pursuant to this subsection unless Seller has delivered a written notice on or after the date by which the parties are required to close pursuant to Section 6.3 of Seller's intention to terminate the Agreement Section and Buyer has not consummated the Closing within three (3) Business Days after receipt of such notice); or

(v) the Regulatory Approvals cannot reasonably be obtained due to Buyer's failure provide any necessary documents or information, or failure to take any necessary action, as described further in Section 5.1(b) above (provided that Seller may not terminate this Agreement pursuant to this subsection if this Agreement is then terminable by Buyer pursuant to Section 7.1(b)(v)).

Section 7.2. Buyer Termination Fee. Buyer will pay Seller a termination fee equal to $175,000 (the "Buyer Termination Fee") in the event that this Agreement is terminated by Seller pursuant to Section 7.1(c)(i), Section 7.1(c)(ii),

Section 7.1(c)(iv) or Section 7.1(c)(v). Any Buyer Termination Fee payable pursuant to this Section 7.2 shall be paid by Buyer to Seller via wire transfer of immediately available funds within thirty (30) days of termination of this Agreement. Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that this Agreement is terminated under circumstances in which the Buyer Termination Fee is payable pursuant to this Section 7.2, (i) the right to enforce payment thereof against Buyer, or Parent pursuant to Section 9.1(f), shall be the sole and exclusive remedy of Seller and the Equityholders against Buyer and (ii) upon payment of the Buyer Termination Fee pursuant to this Section 7.2, Buyer shall have no further liability or obligation relating to or arising out of this Agreement or the Related Agreements. If Buyer pays the Buyer Termination Fee to Seller, Seller shall not pursue any additional remedies against Buyer or its Affiliates and the Buyer Termination Fee shall be Seller's sole remedy against Buyer and its Affiliates. For the avoidance of doubt, Buyer shall not be required to pay the Buyer Termination Fee (i) on more than one occasion, (ii) at all if Seller is granted specific performance of Buyer's obligations to consummate the transactions contemplated by this Agreement pursuant to Section 9.1(b) or (iii) in the event the parties cannot reasonably obtain the Regulatory Approvals through no fault of either Party. Any claim based upon, in respect of, arising under, out of or because of, connected with, or relating to the Buyer Termination Fee may be made only against Buyer, or Parent pursuant to Section 9.1(f).

Section 7.3. Seller Termination Fee. Seller will pay Buyer a termination fee equal to $175,000 (the "Seller Termination Fee") in the event that this Agreement is terminated by Buyer pursuant to Section 7.1(b)(iv). Any Seller Termination Fee payable pursuant to this Section 7.3 shall be paid by Seller to Buyer via wire transfer of immediately available funds within thirty (30) days of termination of this Agreement. Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that this Agreement is terminated under circumstances in which the Seller Termination Fee is payable pursuant to this Section 7.3, (i) the right to enforce payment thereof against Seller shall be the sole and exclusive remedy of Buyer against Seller and (ii) upon payment of the Seller Termination Fee pursuant to this Section 7.3, Seller shall have no further liability or obligation relating to or arising out of this Agreement or the Related Agreements. If Seller pays the Seller Termination Fee to Buyer, Buyer shall not pursue any additional remedies against Seller or the Equityholders and the Seller Termination Fee shall be Buyer's sole remedy against Seller and the Equityholders. For the avoidance of doubt, Seller shall not be required to pay the Seller Termination Fee (i) on more than one occasion, (ii) at all if Buyer is granted specific performance of Seller's obligations to consummate the transactions contemplated by this Agreement pursuant to Section 9.1(b) or (iii) in the event the parties cannot reasonably obtain the Regulatory Approvals through no fault of either Party. Any claim based upon, in respect of, arising under, out of or because of, connected with, or relating to the Seller Termination Fee may be made only against Seller.

Section 7.4. Effect of Termination. The termination of this Agreement pursuant to Section 7.1 will not be deemed to release any Party from any Liability for breach of any representation, warranty, covenant, obligation or agreement contained in this Agreement (nor a waiver of any right in connection therewith) and will be in addition to any other right or remedy a Party has under this Agreement or otherwise. The exercise of a right of termination of this Agreement is not an election of remedies.

ARTICLE VIII.
INDEMNIFICATION

Section 8.1. Indemnification.

(a) Indemnification Obligations of Seller and Equityholders. Seller and Equityholders will jointly and severally indemnify, defend and reimburse Buyer and its Affiliates and each of their respective officers, directors, managers, subsidiaries, employees, successors, assigns, agents and representatives (the "Buyer Indemnified Parties") for and hold harmless each Buyer Indemnified Party from and against and be liable for any Damages related to or arising, directly or indirectly, out of, caused by or resulting from any of the following: (i) any Excluded Liability or Excluded Asset; (ii) any breach of any of the representations and warranties of Seller and Equityholders in Article III or in any certificate or other document or instrument delivered by Seller or any Equityholder or caused to be delivered by Seller pursuant to any provision of this Agreement; (iii) any breach of any term, provision, covenant or agreement contained in this Agreement or any of the Related Agreements by Seller or any Equityholder; (iv) any broker, investment banker or adviser fees, or any other fees, costs or expenses incurred by or on behalf of Seller or any Equityholder in connection with this Agreement or any Related Agreement; (v) any Pre-Closing Taxes, Transfer Taxes or other Taxes of Seller; or (vi) any fraud, knowing or intentional misrepresentation or willful misconduct on the part of Seller or any Equityholder. Notwithstanding anything contained herein to the contrary, the obligations of Seller and Equityholders pursuant to Section 8.1(a)(ii) of this Agreement (a) will not apply to the first $15,000 in Damages (the "Threshold"), and (b) will be limited to, and will not exceed (i) in the case any such breach is a Duplicative Breach (defined below), $500,000 and (ii) for all other such breaches, $320,000 (the applicable amount, the "Cap") in the aggregate; provided, however, that the Threshold and the Cap will not apply to any Damages resulting from breaches of Fundamental Representations, fraud or intentional, willful or fraudulent actions or

misrepresentations (or, for the avoidance of doubt, obligations of Seller and Equityholders pursuant to a section herein other than Section 8.1(a)(ii)). For purposes of calculating the amount of Damages arising out of or relating to any inaccuracy or breach of any representation or warranty in Article III, and the determination of whether a breach has occurred, all Materiality Qualifiers will be disregarded. Notwithstanding anything to the contrary herein or in the Lightshade Denver APA, with respect to any event or circumstance giving rise to a breach of Section 3(a), (b), (c), (l), (n) or Section 5.2(a) of this Agreement and the corresponding section of the Lightshade Denver APA (i.e. Section 3(a), (b), (c), (l), (n) or Section 5.2(a) of the Lightshade Denver APA, as applicable) (a "Duplicative Breach"), the Buyer Indemnified Parties shall only be entitled to indemnification for such breach under either this Agreement or the Lightshade Denver APA, but not both.

(b) Indemnification Obligations of Buyer. Buyer will indemnify, defend and reimburse Seller and Equityholders and their respective Affiliates and each of their respective officers, directors, managers, subsidiaries, employees, successors, assigns, agents and representatives (the "Seller Indemnified Parties") for and hold harmless each Seller Indemnified Party from and against and be liable for any Damages related to or arising, directly or indirectly, out of, caused by or resulting from any of the following: (i) any breach of any of the representations and warranties of Buyer in Article IV; (ii) any breach of any term, provision, covenant or agreement contained in this Agreement or any of the Related Agreements by Buyer; or (iii) any fraud, knowing or intentional misrepresentation or willful misconduct on the part of Buyer. Notwithstanding anything to the contrary herein or in the Lightshade Denver APA, with respect to any event or circumstance giving rise to a breach of Section 4(a) or (b) of this Agreement and the corresponding section of the Lightshade Denver APA (i.e. Section 4(a) or (b) of the Lightshade Denver APA, as applicable), the Seller Indemnified Parties shall only be entitled to indemnification for such breach under either this Agreement or the Lightshade Denver APA, but not both.

(c) Survival. The representations and warranties contained in this Agreement or in any Related Agreement, and all related rights to indemnification, will survive the Closing as follows: (i) all of the representations and warranties of Seller and Equityholders contained in this Agreement and the Closing Certificate, in each case, other than the Fundamental Representations, will survive the Closing and terminate on the date that is 12 months after the Closing Date; and (ii) the Fundamental Representations, including the Fundamental Representations referenced in the Closing Certificate, will survive the Closing and will terminate on the six-year anniversary of the Closing Date. All other covenants, obligations and agreements contained in this Agreement will survive the Closing for the later of (a) six years following the Closing Date or (b) 90 days following the date on which such covenant is fully performed.

(d) Recovery. If and to the extent that any Buyer Indemnified Party or Seller Indemnified Party is entitled to indemnification pursuant to this Agreement (after giving effect to the limitations on indemnification set forth in Section 8.1(a)), such Buyer Indemnified Party or Seller Indemnified Party will recoup all or any portion of any Damages to which such Buyer Indemnified Party or Seller Indemnified Party is entitled by directing cash payment of, and Seller and Equityholders or Buyer, respectively, will pay, monetary Damages from Seller and Equityholders or Buyer, respectively; provided that, subject to the Cap, Buyer must first recover any such Damages from the Indemnity Escrow Amount before pursuing Seller or any Equityholder for the remainder, if any, of such Damages. Such remedies are not exclusive of any other remedies the Buyer Indemnified Party may exercise at law or in equity to satisfy Seller's and Equityholders' indemnification obligations hereunder.

(e) Indemnity Escrow. Subject to the Escrow Agreement, the Indemnity Escrow Amount, less any amounts that have been released to compensate any Buyer Indemnified Party for Damages as provided in Section 8.1 of this Agreement or Section 8.1 of the Lightshade Denver APA, or to compensate for a Deficiency as provided in Section 2.3(b) of this Agreement or Section 2.3(b) of the Lightshade Denver APA, will be released to Seller within ten (10) Business Days after the Release Date; provided, however, that any portion of the Indemnity Escrow Amount that is necessary to satisfy any pending claims for indemnification pursuant to this Agreement or the Lightshade Denver APA that is specified in a written notice delivered to Seller prior to 11:59 p.m., Mountain Time, on the Release Date will not be payable to Seller hereunder until final resolution of all such claims, at which time the amount of the Indemnity Escrow Amount held back to satisfy such pending claims, to the extent not released to compensate any Buyer Indemnified Party for Damages as provided in Section 8.1 of this Agreement or Section 8.1 of the Lightshade Denver APA will be released to Seller. Each Party will cooperate, and cause any Affiliate to cooperate, in timely making all filings, Tax Returns, reports, claims for refund and forms as may be required in connection with the foregoing to comply with all applicable Laws. Upon request, Buyer, Seller, and Equityholders, as applicable, will provide each other with the information that either party reasonably requests in connection with its Tax reporting obligations under applicable Law.

ARTICLE IX.
MISCELLANEOUS

Section 9.1. Miscellaneous.

(a) Governing Law. This Agreement and the agreements executed in connection herewith will be governed by the laws of the State of Colorado (regardless of the laws that might otherwise govern under applicable principles of conflicts of law of the State of Colorado) as to all matters including, but not limited to, matters of validity, construction, effect, performance and remedies.

(b) Specific Performance. The Parties agree that if any party hereto is obligated to, but nevertheless does not, perform any covenant, agreement or obligation set forth in this Agreement or any of the Related Agreements, then any other party, in addition to all other rights or remedies such party may have, will be entitled to the remedy of specific performance mandating that the other party or parties perform such covenant, agreement or obligation. In an action for specific performance by any party against any other party, the other party will not plead adequacy of damages at law. For the avoidance of doubt, under no circumstances shall either party be permitted or entitled to receive both a grant of specific performance to cause the Closing to occur and payment of the Buyer Termination Fee (in the case of Seller) or the Seller Termination Fee (in the case of Buyer).

(c) Further Assurances. From time to time after the Closing Date, at Buyer's request, and without further consideration from Buyer, Seller and Equityholders will execute and deliver such other instruments of conveyance and transfer and take such other actions as Buyer reasonably may require to convey, transfer to and vest in Buyer and to put Buyer in possession of the Purchased Assets.

(d) Waiver of Compliance; Consents. Any failure of Seller or any Equityholder, on the one hand, or Buyer, on the other hand, to comply with any obligation, covenant, agreement or condition herein may be waived in writing by Buyer or by Seller, respectively, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Party hereto, such consent will be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 9.1(d).

(e) Expenses. Each Party will pay its own legal, accounting and other expenses incurred by such Party or on its behalf in connection with this Agreement and the transactions contemplated herein and all such fees incurred by Seller, any Equityholder and any of their Affiliates at or prior to the Closing are deemed Excluded Liabilities.

(f) Parent Guarantee. Parent will cause Buyer to comply with all of its payment and indemnity obligations set forth in this Agreement, and, as a material inducement to Seller entering into this Agreement, Parent hereby guarantees the full performance and payment thereof by Buyer. This is a guarantee of payment and of collection, and Buyer and Parent agree that Seller may pursue any and all available remedies it may have arising out of any breach by Buyer of Buyer's payment and indemnity obligations set forth herein against either or both of Parent or Buyer.

(g) Notices. All notices and other communications hereunder will be in writing and will be deemed received (i) on the date of delivery if delivered personally or by messenger service, (ii) on the date of confirmation, by reply email, of receipt of transmission by email (or, the first Business Day following such receipt if (x) the date is not a Business Day or (y) confirmation of receipt is given after 5:00 p.m., Mountain Time) or (z) on the date of confirmation of receipt if delivered by a nationally recognized courier service (or, the first Business Day following such receipt if (a) the date is not a Business Day or (b) confirmation of receipt is given after 5:00 p.m., Mountain Time), to the Parties at the following addresses or email addresses (or at such other addresses or email addresses for a Party as will have been specified by like notice):

if to Buyer or Parent, to:

Schwazze
4880 Havana Street, Suite 201
Denver, Colorado 80239
Attention: Dan Pabon
Email Address: dan@schwazze.com

with a copy to (not constituting notice):

Perkins Coie LLP
1900 Sixteenth Street, Suite 1400

Denver, Colorado 80202
Attention: Kester Spindler and Jackie Wilcox
Email Addresses: kspindler@perkinscoie.com; jwilcox@perkinscoie.com

if to Seller or any Equityholder, to:

Lightshade Labs LLC
3575 Ringsby Ct. #400
Denver, CO 80216
Attention: Steve Brooks
Email Address: steve@lightshade.com

with a copy to (not constituting notice):

Husch Blackwell LLP
1801 Wewatta Street, Suite 1000
Denver, Colorado 80202
Attention: Steve Levine
Email Address: steve.levine@huschblackwell.com

(h) Appointment of Seller as Agent. Each Equityholder (a) hereby irrevocably constitutes and appoints Seller as such Equityholder's agent, attorney in fact and representative, with full power to do any and all things on behalf of such Equityholder, and to take any action required or contemplated to be taken by such Equityholder, under this Agreement or any Related Agreement (including any amendments, waivers or modifications of this Agreement) and (b) will be bound by all actions taken by Seller regarding this Agreement or any Related Agreement or in connection with any transaction contemplated hereby or thereby. Buyer will at all times (i) be entitled to rely upon any communication with Seller as being binding with respect to each Equityholder, (ii) have no obligation to otherwise communicate with any Equityholder (including indemnification matters) and (iii) not be liable to any Equityholder for any action taken or omitted to be taken by Buyer.

(i) Risk of Loss. Seller will bear all risk of loss, destruction or damage to any of the Purchased Assets occurring prior to the Closing, regardless of circumstance. Buyer will have no responsibility with respect thereto.

(j) Press Release and Public Announcements. Except as otherwise required by Law, (i) neither Seller nor the Equityholders, on the one hand, nor Buyer, on the other hand, will, and will not permit any of their respective Affiliates, representatives or advisors to, issue or cause the publication of any press release or make any other public announcement with respect to the transactions contemplated by this Agreement and the Related Agreements without the prior written consent of the other party(ies) and (ii) Seller and Buyer will consult and cooperate with each other as to the timing and content of the announcement of the transactions contemplated hereby to the employees, customers and suppliers of the Business. Notwithstanding anything in this Agreement to the contrary, following the Closing, Buyer or any of its Affiliates, representatives or advisors may issue or cause the publication of any press release or make any other public announcement, including any tombstone advertisements, with respect to the transactions contemplated by this Agreement and the Related Agreements without the prior written consent of Seller or any Equityholder.

(k) Partial Invalidity. In the event that any provision of this Agreement, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

(l) Interpretation. In this Agreement: (a) headings are for convenience of reference only and will not affect the meaning or interpretation of this Agreement; (b) the words "herein," "hereunder," "hereby" and similar words refer to this Agreement as a whole (and not to the particular sentence, paragraph, Article or Section where they appear); (c) terms used in the plural include the singular, and vice versa, unless the context clearly requires otherwise; (d) unless otherwise required by the context in which they appear, the terms "assets" and "properties" are used interchangeably; (e) unless expressly stated herein to the contrary, reference to any document (except for any reference to a document in the Disclosure Schedule) means such document as amended or modified and as in effect from time to time pursuant to the terms thereof; (f) unless expressly stated herein to the contrary, reference to any Law means such Law as amended, modified, codified, replaced or reenacted, in whole or in part, and as in effect from time to time, including any rule or regulation promulgated

thereunder; (g) the words "including," "include" and variations thereof are deemed to be followed by the words "without limitation"; (h) "or" is used in the sense of "and/or"; "any" is used in the sense of "any or all"; and "with respect to" any item includes the concept "of" such item or "under" such item or any similar relationship regarding such item; (i) unless expressly stated herein to the contrary, reference to a document, including this Agreement, will be deemed to also refer to each annex, addendum, exhibit, schedule or other attachment thereto; (j) unless expressly stated herein to the contrary, reference to an Article, Section, Schedule, Disclosure Schedule, or Exhibit is to an article, section, schedule, the Disclosure Schedule, or exhibit, respectively, of this Agreement; (k) when calculating a period of time, the day that is the initial reference day in calculating such period will be excluded and, if the last day of such period is not a Business Day, such period will end on the next day that is a Business Day; (l) with respect to all dates and time periods in or referred to in this Agreement, time is of the essence; (m) the terms "shall" and "will" are used interchangeably; and (n) the phrase "the date hereof" means the date of this Agreement, as stated in the first paragraph hereof. All dollar ($) references in this Agreement are to United States dollars and all amounts that are to be calculated or paid hereunder will be calculated or paid in United States dollars. The Parties acknowledge and agree that any reference herein or in the Disclosure Schedule to documents having been furnished, delivered, made available or disclosed to Buyer, or words of similar import, will be deemed to refer to such documents as were made available and accessible to Buyer and Buyer's representatives for their review by posting to the "Project Laser" folder in the electronic data room hosted by Dropbox.com before 5:00 p.m., Mountain Time, on the date that is three (3) Business Days prior to the date hereof.

(m) Assignment. This Agreement and all of the provisions hereof and the other documents or agreements contemplated hereby will be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder or under any of the other documents or agreements contemplated hereby will be assigned by Seller or any Equityholder, on the one hand, or Buyer, on the other hand without the prior written consent of the other party(ies), which consent shall not be unreasonably withheld, conditioned or delayed; provided that Buyer may, without the prior written consent of Seller, assign this Agreement to an Affiliate. Any such permitted assignment shall not release Buyer from its obligations under this Agreement.

(n) Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed will be an original, but all of such counterparts will together constitute but one and the same instrument. This Agreement, which term as used throughout includes the Exhibits and Schedules hereto, embodies the entire agreement and understanding of the Parties hereto in respect of the subject matter contained herein.

(o) Entire Agreement. There are no restrictions, promises, representations, warranties, covenants or undertakings other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to such subject matter.

[*Signature Page Follows*]

If you are in agreement with the foregoing, please so indicate by signing and returning one copy of this Asset Purchase Agreement, whereupon it will constitute the agreement of Buyer, Parent (solely for purposes of Section 9.1(f)), Seller and Equityholders with respect to the subject matter hereof.

BUYER:

DOUBLE BROW, LLC

By: SCHWAZZE COLORADO, LLC

By: MEDICINE MAN TECHNOLOGIES, INC.
(d/b/a SCHWAZZE), its sole manager

By: _____
Name: Dan Pabon
Title: General Counsel and Chief Government Affairs Officer

PARENT:

MEDICINE MAN TECHNOLOGIES, INC.

(d/b/a SCHWAZZE)

By: _____
Name:
Title:

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT - AURORA LOCATION]

If you are in agreement with the foregoing, please so indicate by signing and returning one copy of this Asset Purchase Agreement, whereupon it will constitute the agreement of Buyer, Parent (solely for purposes of Section 9.1(f)), Seller and Equityholders with respect to the subject matter hereof.

SELLER:

LIGHTSHADE LABS LLC

By: _____
Name:
Title:

EQUITYHOLDERS:

_____
Thomas Van Alsburg

_____
Steve Brooks

_____
John Fritzel

EXHIBIT A
DEFINITIONS

"Affiliate" means, with respect to any Person, any Person that controls, is controlled by or is under common control with, such Person. A Person will be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by Contract or otherwise.

"Bill of Sale" means the Bill of Sale and Assignment and Assumption Agreement, in substantially the form attached hereto as Exhibit B.

"Business Day" means a day other than Saturday, Sunday or any bank holiday in Denver, Colorado.

"Buyer Termination Fee" has the meaning set forth in Section 7.2.

"Contract" means any contract, agreement, understanding, commitment, purchase order, warranty or guarantee, license, use agreement, lease (whether for real estate, a capital lease, an operating lease or other lease), instrument or note, in each case, whether oral or written.

"Damages" means any losses, costs, damages, Liabilities, Taxes, expenses, Legal Proceedings or Orders (including reasonable legal fees and expenses and all amounts paid in investigation, defense or settlement of any of the foregoing), whether asserted by third parties or incurred or sustained in the absence of third-party claims.

"Employee Benefit Plan" means any retirement, pension, profit sharing, deferred compensation, stock bonus, savings, bonus, incentive, cafeteria, medical, dental, vision, hospitalization, life insurance, accidental death and dismemberment, medical expense reimbursement, dependent care assistance, welfare, tuition reimbursement, disability, sick pay, holiday, vacation, employment, consulting, independent contractor, personal services, retention, severance, change of control, equity purchase, equity option, restricted equity, phantom equity, equity appreciation rights, loan, fringe benefit or other compensation or benefit plan, fund, policy, program, practice, Contract or arrangement of any kind (including any "employee benefit plan," as defined in Section 3(3) of ERISA, whether or not subject to ERISA), whether written or oral, qualified or nonqualified, funded or unfunded, or domestic or foreign, (a) that is sponsored, maintained, contributed to or required to be contributed to by Seller or any ERISA Affiliate (or to which Seller or ERISA Affiliate is a party) and that covers or benefits any current or former employee, officer, director, manager, consultant, independent contractor or other service provider of or to Seller (or any spouse, domestic partner, dependent or beneficiary of any such individual), or (b) with respect to which Seller has (or could have) any Liability (including any contingent Liability).

"Encumbrance" means any (a) security interest, lien (excluding any mechanic's lien or materialmen's lien arising in the ordinary course of business consistent with past practice or Tax liens not yet due and payable or being contested in good faith by appropriate procedures), restriction, claim, pledge, encumbrance, mortgage, deed of trust, option, or restriction on transfer; (b) with respect to any real property at the Aurora Location, imperfection of title, easement or encroachment on real property (except in each case as would not be, individually or in the aggregate, material to Business and which would not prohibit or interfere with the current use of the real property at the Aurora Location); and (c) preemptive right, right of first refusal, right of first offer or charge of any kind or nature, whether consensual, statutory or otherwise.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any Person, trade or business that, together with Seller, is (or, at any time, was) treated as a single employer under Section 414(b), (c), (m) or (o) of the Code or Section 4001(a)(14) or 4001(b)(1) of ERISA.

"Federal Cannabis Law" means any U.S. federal laws, civil, criminal or otherwise, to the extent that such law is directly or indirectly related to the cultivation, harvesting, production, manufacturing, processing, marketing, distribution, sale or possession of cannabis, marijuana or related substances or products containing cannabis, marijuana or related substances, including but not limited to the prohibition on drug trafficking under the Controlled Substances Act (21 U.S.C. § 801, et seq.), the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another's felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957 and 1960. All references herein to "Law", "law" "applicable Law" or "applicable law" shall not be interpreted to include any Federal Cannabis Law.

"Fundamental Representations" means the representations and warranties set forth in Section 3(a), Section 3(b), Section 3(c), Section 3(d), Section 3(e), Section 3(k), Section 3(r), and Section 3(y).

"Governmental Authority" means any nation, state or province or any municipal or other political subdivision thereof, and any agency, commission, department, board, bureau, official, minister, tribunal or court, whether national, state, provincial, local, foreign, multinational or otherwise, exercising executive, legislative, judicial, regulatory, taxing or administrative functions of a nation, state or province or any municipal or other political subdivision thereof, and any arbitrator or arbitral body.

"Indemnity Escrow Amount" has the meaning set forth in Section 2.2(b).

"Indebtedness" means, without duplication, any Liability under or for any of the following (excluding any trade payable incurred in the ordinary course of business), including any accrued interest, fees or other expenses regarding any of the foregoing, including any prepayment penalties or premiums, consent fees, break fees or similar payments or contractual charges: (a) indebtedness for borrowed money (including as a guarantor or if guaranteed or for which a Person is otherwise liable or responsible, including an obligation to assume indebtedness); (b) note, bond, debenture or similar instrument (including a letter of credit); (c) surety bond; (d) swap, hedging or similar Contract; (e) capital lease; (f) banker acceptance; (g) purchase money mortgage, indenture, deed of trust or other purchase money lien or conditional sale or other title retention Contract; (h) the deferred purchase price of property or services with respect to which such Person is liable (regardless of how structured), contingently or otherwise, as obligor or otherwise; or (i) Liability secured by any Encumbrance on any asset or property.

"IP" means, collectively: (a) all rights (anywhere in the world, whether statutory, common law or otherwise) in or affecting intellectual or industrial property or other proprietary rights, including with respect to the following: (i) patents and applications therefor, and patents issuing thereon, including continuations, divisionals, continuations-in-part, reissues, reexaminations, renewals and extensions; (ii) copyrights and registrations and applications therefor, works of authorship, "moral" rights and mask work rights; (iii) domain names, uniform resource locators and other names and locators associated with the internet, including applications and registrations thereof; (iv) telephone numbers; (v) trademarks, trade dress, trade names, logos and service marks, together with the goodwill symbolized by or associated with any of the foregoing and any applications, registrations and renewals therefore; (vi) all technology, ideas, research and development, inventions, manufacturing and operating specifications and processes, schematics, know-how, formulae, customer and supplier lists, shop rights, designs, drawings, patterns, trade secrets, confidential information, technical data, databases, data compilations and collections, web addresses and sites, software, computer architecture, and documentation; (vii) all other intangible assets, properties or rights; and (viii) the right to file applications and obtain registrations for any of the foregoing and claim priority thereto; (b) all claims, causes of action and rights to sue for past, present and future infringement or misappropriation of the foregoing, and all proceeds, rights of recovery and revenues arising from or pertaining to the foregoing; and (c) all copies and tangible embodiments of any of the foregoing (in whatever form or medium).

"Law" means any applicable provision of any constitution, treaty, statute, law (including the common and civil law), rule, regulation, ordinance, guidance, code or order enacted, adopted, issued or promulgated by any Governmental Authority, excluding any Federal Cannabis Laws.

"Legal Proceeding" means any claim (whether or not commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority) or other action, suit, arbitration, mediation, claim, audit, investigation, demand, hearing, petition, dispute, controversy, complaint, charge, inquiry, litigation, proceeding or administrative investigation.

"Liability" means any obligation or liability of any nature whatsoever, whether direct or indirect, matured or unmatured, known or unknown, absolute, accrued, contingent, due or to become due, or otherwise.

"Lightshade Denver APA" means that certain Asset Purchase Agreement dated as of the date hereof by and among Seller, Buyer and the Equityholders, governing Buyer's acquisition of the Denver Location (as defined therein) from Seller.

"Lookback Date" means the date that is three years prior to the Closing Date.

"Marijuana Inventory" means saleable marijuana products located at the Aurora Location, including marijuana flower, trim, concentrate or infused product, which is not spoiled, unusable, expired or otherwise non-saleable.

"Materiality Qualifier" means any qualification for or references to "materially," "materiality," "material," "in all material respects" and words of similar import.

"MED" means the Colorado Marijuana Enforcement Division.

"Order" means any order, conciliation, settlement, stipulation, ruling, requirement, notice, directive, award, decree, judgment or other determination of any Governmental Authority.

"Ordinary Course of Business" means, with respect to Seller, the ordinary course of business of Seller consistent with its past regular custom and practice, including, as applicable, with respect to quantity and frequency.

"Owned IP" means all Seller IP other than IP licensed to Seller pursuant to a written license agreement.

"Permit" means any permit, registration, approval, license, certificate or authorization issued by any Governmental Authority or quasi-governmental or self-regulatory body, including each of the Purchased Licenses.

"Person" means any Governmental Authority, individual, partnership, limited liability company, association, corporation or other entity or organization.

"Personal Information" means any information that alone or in combination with other information can be used to specifically identify any natural Person, together with any other information that is combined with or linked to any of the foregoing information.

"Processed" or "Processing" means any operation performed on data or information, including the collection, creation, receipt, access, use, handling, compilation, processing, analysis, monitoring, maintenance, storage, purchase, sale, transmission (including cross-border), transfer, protection, disclosure, deletion, destruction, or disposal of data or information.

"Registered IP" means any Owned IP that is the subject of an application or registration with any Governmental Authority, including any domain name registration and any application or registration for any patent, copyright or trademark.

"Regulatory Approval" or "Regulatory Approvals" means any and all approvals from MED, the City of Aurora, or any other Governmental Authority that are required under applicable Law for (a) the transfer by Seller to Buyer of any Permit or (b) the consummation of the transactions contemplated by this Agreement.

"Related Agreements" means the Bill of Sale, the Closing Certificates, any Estoppel Certificate and Lease Assignment and all other documents, agreements and instruments executed and delivered in connection with this Agreement.

"Release Date" means the later of (i) the date that is 12 months after the Closing Date (as defined in this Agreement) and (ii) the date that is 12 months after the Closing Date (as that term is defined in the Lightshade Denver APA).

"Seller IP" means any and all IP used, held for use, owned or purported to be owned (in whole or in part) by Seller or licensed to Seller, in each case, in connection with the Business.

"Seller's Knowledge" means the actual knowledge of the Equityholders after reasonable inquiry and investigation (including due inquiry of Persons knowledgeable about the subject matter thereof).

"Seller Termination Fee" has the meaning set forth in Section 7.3.

"Seller Transaction Expenses" means all fees and expenses incurred by or on behalf of Seller, any Equityholder or any of their Affiliates at or prior to the Closing in connection with the preparation, negotiation and execution of this Agreement and the Related Agreements, including: (a) any brokerage fees and any other fees and disbursements of lawyers, accountants, investment bankers and other advisors and service providers, (b) any transaction, incentive or stay bonus or termination or change of control payment payable to any Person by Seller, Equityholders or their Affiliates as a result of the Closing, (c) the fees and expenses of the creation and maintenance of the electronic data room hosted by Dropbox.com, (d) any fees, expenses or other liabilities to the extent incurred by or at the direction of Seller, Equityholders or otherwise relating to Seller's or Equityholders' obtaining any consent or waiver for the transactions contemplated hereby or any other liabilities or obligations incurred or arranged by or on behalf of Seller or Equityholders or any of their respective Affiliates in connection with the consummation of the transactions contemplated hereby, and (e) any Transfer Taxes.

"Tax" means (a) all federal, state, and local, foreign income, gross receipts, sales, use, production, ad valorem, value-added, transfer, franchise, registration, profits, capital gains, business, license, lease, service, service use, withholding, payroll, social security, disability, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes of any kind whatsoever, including liabilities under escheat and unclaimed property Laws, (b) all other fees, assessments or charges in the nature of a tax, (c) any fine, penalty, interest or addition to tax with respect to any amounts of the type described in (a) and (b) above, and (d) any Liability for the payment of any amounts of the type described in clauses (a)-(c) above as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of a tax sharing, tax allocation or tax indemnification Contract, as a transferee or successor, by operation of Law or otherwise.

"Tax Return" means any return, declaration, report, filing, claim for refund or information return or statement relating to any Tax, including any schedule or attachment thereto and including any amendment thereof, that is filed or required to be filed with any Governmental Authority or provided or required to be provided to a payee.

EXHIBIT B

FORM OF BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

See attached.

BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

This Bill of Sale and Assignment and Assumption Agreement (this "Agreement") is made and entered into as of [ ], 2022 by and among (i) Lightshade Labs LLC, a Colorado limited liability company ("Seller") and Double Brow, LLC, a Colorado limited liability company ("Buyer"). Capitalized terms used and not defined herein will have the respective meanings assigned to such terms in that certain Asset Purchase Agreement, dated as of September 9, 2022 by and among Seller, Buyer and the equityholders of Seller parties thereto (the "Asset Purchase Agreement").

1. Pursuant to the Asset Purchase Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, effective as of the Closing, (a) Seller does hereby sell, assign, transfer, convey and deliver to Buyer, and its successors and assigns, all of Seller's right, title, and interest in and to the Purchased Assets, and (b) Buyer does hereby assume from Seller the Assumed Liabilities (if any).

2. Buyer hereby agrees to execute and deliver to Seller, and Seller hereby agrees to execute and deliver to Buyer, such further instruments of transfer, assignment and assumption, and take such other action as Seller or Buyer may reasonably request, to more effectively transfer to, assign to, and vest in Buyer each item of the Purchased Assets, and to evidence Buyer's assumption of the Assumed Liabilities (if any).

3. The representations, warranties, covenants and agreements of the parties hereto and the terms and conditions set forth in the Asset Purchase Agreement will survive the execution and delivery of this Agreement as provided in the Asset Purchase Agreement and will not be merged herein or integrated herewith.

4. All terms and conditions of, and all representations, warranties, covenants and agreements relating to, the transactions contemplated by the Asset Purchase Agreement are set forth in the Asset Purchase Agreement. To the extent that any provision of this Agreement is inconsistent or conflicts with the Asset Purchase Agreement, the provisions of the Asset Purchase Agreement will control. Nothing contained in this Agreement will be deemed to supersede, enlarge, limit or otherwise modify any of the rights, obligations, agreements, covenants, representations or warranties contained in the Asset Purchase Agreement.

5. The parties hereto may cause this Agreement to be amended at any time only by execution of an instrument in writing signed on behalf of each of the parties hereto. This Agreement will not be assigned to any other Person, except Buyer may assign this Agreement to any Affiliate of Buyer, any purchaser of all or substantially all of the Purchased Assets, or any financing source as a collateral assignment. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

6. This Agreement and all Legal Proceedings arising hereunder will be governed by and construed in accordance with the Laws of the State of Colorado without reference to such state's principles of conflicts of Law. Each of the parties hereto irrevocably consents to the exclusive jurisdiction of and venue in any state or federal court located in the State of Colorado (and of and in any court to which an appeal of the decisions of any such court may be taken), in connection with any matter based upon or arising out of this Agreement or the matters contemplated herein, agrees that process may be served upon them in any manner authorized by the Laws of the State of Colorado for such persons, and waives and covenants not to assert or plead any objection which it might otherwise have to such jurisdiction and such process; provided, however, that any party hereto will be entitled to seek injunctive or other equitable relief in connection with any matter based upon or arising out of this Agreement or the matters contemplated herein in any forum having proper legal jurisdiction over such matter.

7. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH PARTY HERETO WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE PARTIES HERETO ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED HEREUNDER. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

8. This Agreement may be executed and delivered by each party hereto in separate counterparts (including electronic portable document format (.PDF) or similar format), each of which when so executed and delivered will be deemed an original and all of which taken together will constitute one and the same agreement. This Agreement will become effective

when, and only when, each party hereto delivers a counterpart hereof to each other Party. This Agreement may be executed by .PDF signature, and a .PDF signature will constitute an original signature for all purposes.

[The remainder of this page is intentionally left blank.]

The undersigned have caused this Agreement to be duly executed and delivered as of the date first written above.

BUYER:

Double Brow, LLC

By: Schwazze Colorado, LLC
Its: Sole Member

By: Medicine Man Technologies, Inc.
Its: Sole Member

By: _____
Name: Dan Pabon
Title: General Counsel and Chief Government Affairs Officer

SELLER:

LIGHTSHADE LABS LLC

By: _____
Name:
Title:

SCHEDULE 1.1(a)
PURCHASED ASSETS

(i) [Intentionally Omitted.]

(ii) All inventory (including Marijuana Inventory, supplies, goods in transit, packaging materials and other consumables of the Business, including inventory in transit from or held by suppliers of the Business).

(iii) The Contracts set forth below, if any, which are related to the Business:

None.

(iv) All machinery, equipment, computers, printers, cameras, furniture, furnishings, fixtures, office supplies, vehicles and all other fixed assets and personal property leased by, owned by, or on order to be delivered to Seller, in each case, used or to be used, as applicable, in the Business.

(v) All deposits and prepaid expenses, including advances, credits and security and other deposits specifically related to the Business.

(vi) All warranties, representations, letters of credit and guarantees made by suppliers (including data providers), manufacturers and contractors of Seller specifically related to the Business.

(vii) Each Purchased License and, to the extent transferable or assignable, all other Permits issued to or otherwise held by Seller relating to the operation of the Business or any Purchased Asset.

(viii) Except to the extent pertaining exclusively to any Excluded Asset or Excluded Liability, all rights in respect of Legal Proceedings, recoveries, refunds (other than Tax refunds with respect to periods (or portions thereof) ending on or prior to the Closing Date), counterclaims, rights of set-off and other claims (including indemnification Contracts in favor of Seller), whether known or unknown, matured or unmatured, accrued or contingent, that Seller may have against any Person, including claims against any Person for compensation or benefits, insurance claims, claims of infringement or past infringement, in each case related specifically to the Business.

(ix) All books and records of Seller relating primarily to the Business, including all operating records, data and other materials maintained by the Business, including all sales and sales promotional data, advertising materials, customer lists and records, research and development reports, credit information, cost and pricing information, supplier lists and records, business plans, catalogs, price lists, correspondence, mailing lists, distribution lists, photographs, production data, service and warranty records, engineering records, personnel and payroll records relating to hired employees, manufacturing and quality control records and procedures, blueprints, accounting records, information relating to any Taxes (other than those that relate solely to Excluded Assets or Excluded Liabilities, plans, specifications, surveys, property records, manuals and other materials related to any of the foregoing items.

(x) All telephone numbers, facsimile numbers and email addresses, and all rights to receive mail and other communications addressed to Seller (except to the extent relating exclusively to any Excluded Asset or Excluded Liability), in each case related specifically to the Business.

(xi) Real Property Lease for the Aurora Location.

SCHEDULE 1.1(b)
EXCLUDED ASSETS

(i) All records related to Seller's organization, maintenance, existence and good standing as a corporation, namely Seller's certificate of formation, operating agreement, qualifications to conduct business as a foreign entity, taxpayer and other identification numbers, minute books and Tax records (provided that Buyer will be entitled to copies of such Tax records that are related to the Business).

(ii) All rights in connection with and assets under all Employee Benefit Plans.

(iii) All insurance policies and prepayments related thereto (but excluding any rights to recovery under such insurance policies except to the extent pertaining exclusively to any Excluded Asset or Excluded Liability).

(iv) Any rights of Seller under this Agreement or any Related Agreement.

(v) Cash and cash equivalents, other than Target Cash.

(vi) All credit cards, debit cards and similar credit and banking instruments of Seller.

(vii) Any Tax refunds or overpayments of Taxes of Seller with respect to periods (or portions thereof) ending on or prior to the Closing Date.

(viii) Cell phones and cell phone numbers.

(ix) All right, title and interest in and to the use of "Lightshade" and all other trademarks or similar or related names or phrases (and all goodwill relating to the foregoing) and all domain names used in the Business ("Excluded Seller IP").

(x) All other assets and businesses of Seller except for the Business and the Purchased Assets.

(xi) All Contracts other than the Assigned Contracts (if any).

(xii) Dunbar cash safes at the Aurora Location.

(xiii) Two sets of large signage letters displaying "JB" and a mixed-material sign displaying the word "Lightshade" as depicted in photographs provided to Buyer.

SCHEDULE 1.2(a)
ASSUMED LIABILITIES

None.

SCHEDULE 1.2(b)
EXCLUDED LIABILITIES

(i) Any Liability of Seller (including any Indebtedness of Seller).

(ii) Any Liability of any Person, directly or indirectly related to, accruing or arising out of, caused by or resulting from the operation or conduct of the Business or the ownership of the Purchased Assets prior to the Closing, whether or not recorded on the books and records of any Person (including any accounts payable to third parties that remain outstanding as of the Closing).

(iii) Any Liability arising under or in any way related to the Employee Benefit Plans.

(iv) Any Liability that would become a Liability of Buyer as a matter of Law in connection with this Agreement, agreement executed or delivered in connection herewith, or the transactions contemplated hereby or thereby.

(v) Any Liability in respect of Taxes of Seller (or any successor or Affiliate), or any Liability in respect of any Taxes arising from or relating to the Business or the Purchased Assets or ownership or operation thereof for or accruing or arising at any time in respect of any period (or portion thereof) ending on or prior to the Closing.

(vi) Any Liability directly or indirectly related to, accruing or arising out of, caused by or resulting from the operation or ownership of the Excluded Assets.

(vii) Any Liability relating to the Transferred Employees or any other employees of the Business prior to the Closing, and any accrued but unused vacation of any such employees.

(viii) Any Excluded Employees.

SCHEDULE 2.3(c)
ALLOCATION OF PURCHASE PRICE

The applicable portions of the Purchase Price (and any other items that are treated as consideration paid by Buyer for applicable Tax purposes) will be allocated pursuant to Section 1060 of the Code and the Treasury Regulations promulgated thereunder (and any similar provisions of state, local, or non-U.S. Law, as appropriate) to the Purchased Assets as follows:

Asset Class	Allocation of Purchase Price
Class I *Cash and General Deposit Accounts*	Actual cash value, provided, however, that the amount assigned to any cash asset will be in accordance and consistent with the amount assigned to such cash asset for purposes of the Agreement and as reflected on the Closing Statement.
Class II *Marketable Securities*	Fair market value as of the Closing.
Class III *Accounts Receivable*	Net book value for financial accounting purposes as of the Closing.
Class IV *Inventory*	Retail value for financial accounting purposes as of the Closing, provided, however, that the amount assigned to any Marijuana Inventory will be in accordance and consistent with the amount assigned to such Marijuana Inventory for purposes of the Agreement and as reflected on the Closing Statement.
Class V *Property, Equipment, and other Tangible Assets*	Net book value for financial accounting purposes as of the Closing.
Class VI *Code Section 197 Intangibles*	Net book value for financial accounting purposes as of the Closing, provided, however, that any amount allocated to any restrictive covenant will have a nominal value.
Class VII *Goodwill and Going Concern Value*	Any remainder of consideration and any other amounts properly treated as consideration for U.S. federal income tax purposes, provided, the value of license shall be held in Class VII until a valuation is conducted by a third party, at which point such specified license value will be held in Class VI.

Exhibit 2.2

EXECUTION VERSION

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of September 9, 2022 by and among (i) Double Brow, LLC, a Colorado limited liability company ("Buyer"), (ii) Medicine Man Technologies, Inc. (d/b/a Schwazze), a Nevada corporation ("Parent") solely for purposes of Section 9.1(f), (iii) Lightshade Labs LLC a Colorado limited liability company ("Seller"), (iv) Thomas Van Alsburg, an individual ("Van Alsburg"), (v) Steve Brooks, an individual ("Brooks,"), (vi) John Fritzel, an individual ("Fritzel" and collectively with Van Alsburg and Brooks, "Equityholders"). Buyer, Seller and Equityholders are sometimes referred to herein as the "Parties" and each, a "Party." Capitalized terms used but not otherwise defined in this Agreement have the meanings set forth on Exhibit A attached hereto.

A. Equityholders collectively hold all of the issued and outstanding equity securities of Seller.

B. Seller is engaged in the business of owning and operating the following retail marijuana store pursuant to the licenses issued by the Governmental Authorities set forth below (the "Business," and each license set forth below, a "Purchased License"):

Business Conducted	Location	Purchased License
Retail Marijuana Store	2215 E Mississippi Ave. Denver, CO 80210 (the "Denver Location")	State of Colorado License: 402R-00159 City and County of Denver Local License: 2022-BFN-0003739

C. Seller desires to sell, and Buyer desires to purchase, all of the assets of Seller related to, or which are used in or held for use in connection with, the operation of the Business, pursuant to the terms set forth herein.

ARTICLE I.
PURCHASE AND SALE OF PURCHASED ASSETS; ASSUMPTION OF ASSUMED LIABILITIES

Section 1.1. Purchased Assets; Excluded Assets.

(a) Purchased Assets. Pursuant to the terms set forth herein, at the Closing, Seller will sell, assign, transfer, convey and deliver to Buyer, and Buyer will purchase, acquire and accept from Seller, all of the tangible and intangible assets of Seller related to, or used in or held for use in connection with, the Business, including the assets of Seller set forth on Schedule 1.1(a) (collectively, the "Purchased Assets"), free and clear of all Encumbrances.

(b) Excluded Assets. Notwithstanding anything in this Agreement to the contrary, the Purchased Assets will not include any assets set forth on Schedule 1.1(b) (the "Excluded Assets").

Section 1.2. Assumed Liabilities; Excluded Liabilities.

(a) Assumed Liabilities. Pursuant to the terms set forth herein, at the Closing, Buyer will assume only the Liabilities of Seller specifically identified on Schedule 1.2(a) (the "Assumed Liabilities"), if any.

(b) Excluded Liabilities. Except for the Assumed Liabilities (if any), Buyer will not assume, and Seller will pay, defend, discharge and perform, as and when due, and otherwise retain and remain solely responsible for, all Liabilities that are not expressly included in the Assumed Liabilities (if any), including the Liabilities set forth on Schedule 1.2(b) (such excluded Liabilities, the "Excluded Liabilities").

ARTICLE II.
PURCHASE PRICE AND RELATED MATTERS

Section 2.1. Purchase Price. The aggregate consideration payable by Buyer to Seller for the Purchased Assets is an amount equal to $1,000,000 (the "Purchase Price").

Section 2.2. Payment of Purchase Price at the Closing. At the Closing, and subject to the satisfaction or waiver of all of the conditions set forth in Section 6.1 and Section 6.2:

(a) Cash Consideration. Subject to Section 2.2(c) below (and without duplication for any amounts paid pursuant to Section 2.2 of the Lightshade Aurora APA), Buyer will pay, or cause to be paid, the following amounts to the following Persons:

(i) the aggregate amount of Indebtedness identified in the Payoff Letters (the "Closing Date Repaid Indebtedness") pursuant to, and in the amounts and to the Persons specified in, the respective Payoff Letters, if not already paid pursuant to the Lightshade Aurora APA;

(ii) the aggregate amount of the Seller Transaction Expenses identified in the Seller Transaction Expenses Invoices (the "Closing Date Seller Transaction Expenses") pursuant to, and in the amounts and to the Persons specified in, the respective Seller Transaction Expenses Invoices, if not already paid pursuant to the Lightshade Aurora APA; and

(iii) an amount equal to (A) the Purchase Price, minus (B) the Closing Date Repaid Indebtedness, if any, minus (C) the Closing Date Seller Transaction Expenses, if any, minus (D) the Indemnity Escrow Amount, if any, to Seller, by wire transfer of immediately available funds to an account of Seller designated by Seller in writing prior to the Closing Date.

(b) Indemnity Escrow Amount. Subject to Section 2.2(c) below (and without duplication for any amounts paid pursuant to Section 2.2 of the Lightshade Aurora APA), Buyer will deposit an aggregate total of $300,000 (the "Indemnity Escrow Amount") from the proceeds of the Purchase Price payable at the Closing into an escrow account pursuant to an escrow agreement in form and substance mutually agreed upon by the parties (the "Escrow Agreement") for purposes of securing certain obligations of Seller and the Equityholders pursuant to the terms of this Agreement and pursuant to the terms of the Lightshade Aurora APA, if not already paid pursuant to the Lightshade Aurora APA. The Indemnity Escrow Amount will be held and disbursed pursuant to the terms and conditions of the Escrow Agreement, the Lightshade Aurora APA (including Section 8.1(e) thereunder), and this Agreement (including Section 8.1(e)). For the avoidance of doubt, the $300,000 Indemnity Escrow Amount shall be the aggregate total amount deposited by Buyer into an escrow account for purposes of securing certain obligations of Seller and the Equityholders pursuant to the terms of this Agreement and the Lightshade Aurora APA.

(c) Other Transaction; No Duplication. The Parties acknowledge and agree that as of the date hereof, the Parties are also entering into the Lightshade Aurora APA (together, with this Agreement, the "Purchase Agreements"), both Purchase Agreements are based on the same form, and both Purchase Agreements require payment of the Indemnity Escrow Amount and the same (or substantially similar) Closing Date Repaid Indebtedness and Closing Date Seller Transaction Expenses, but payment of such foregoing amounts is only required once under both Purchase Agreements. In the event the transactions contemplated by the Purchase Agreements do not close simultaneously, then, upon the first transaction to close, Buyer will (i) deposit the entire Indemnity Escrow Amount and (ii) pay, or cause to be paid, the entire amount of any Closing Date Repaid Indebtedness and Closing Date Seller Transaction Expenses as is required by the applicable Purchase Agreement, such that, upon closing of the second transaction, no payments will need to be made with respect to the Indemnity Escrow Amount, Closing Date Repaid Indebtedness or the Closing Date Seller Transaction Expenses (and no deduction of the Purchase Price will need to be made therefore pursuant to Section 2.2(a)) under the applicable Purchase Agreement.

Section 2.3. Financial Requirements; Post-Closing Adjustments.

(a) Financial Requirements.

(i) Target Marijuana Inventory. At the Closing, the aggregate value of Marijuana Inventory included in the Purchased Assets located at the Denver Location and delivered to Buyer will be not less than $51,796, calculated at actual cost-basis, which is equal to the last purchase price paid by Seller to purchase the Marijuana Inventory or Seller's cost of goods sold in manufacturing the applicable Marijuana Inventory, as applicable (the "Target Marijuana Inventory"); and

(ii) Target Cash. At the Closing, the unrestricted cash included in the Purchased Assets and delivered to Buyer at Closing will not be less than $500 in the point-of-sale system contained in the Denver Location (the "Target Cash").

(b) Post-Closing Adjustments. Within 60 days of the Closing Date, Buyer will prepare its calculation of the Marijuana Inventory and the cash actually delivered by Seller to Buyer at the Closing (the "Closing Statement") and deliver the Closing Statement to Seller for its review. Seller and its professional advisors will have, upon request, reasonable access during regular business hours to Buyer's books and records to the extent necessary for such review. During a period of 30 days following Buyer's delivery of the Closing Statement to Seller (the "Objection Period"), if Seller disagrees with any item set forth in the Closing Statement, Seller will give written notice (the "Objection Notice") to Buyer within the Objection Period, specifying in reasonable detail Seller's disagreement with any such item set forth on the Closing Statement. The Objection Notice must specify those items or amounts as to which Seller disagrees, and Seller will be deemed

to have agreed with all other items contained in the Closing Statement. If Seller does not deliver an Objection Notice within the Objection Period, then Seller will be deemed to have agreed entirely with items set forth on the Closing Statement. If an Objection Notice is delivered within the Objection Period, (i) in the 30-day period following delivery of the Objection Notice, Buyer and Seller will use reasonable efforts to reach an agreement on the disputed items or amounts set forth in the Objection Notice and (ii) if Buyer and Seller are unable to reach an agreement during such 30-day period with respect to all disputed items or amounts, such disputed items or amounts will be resolved by an independent certified public accounting firm ("Settlement Accountant"), to be mutually agreed upon by the Parties. Such costs of the Settlement Accountant will be borne by Buyer and Seller in inverse proportion to their success on the merits in the resolution of the disputed items or amounts. If the actual Marijuana Inventory as set forth on the final Closing Statement, as finally determined pursuant to this Section 2.3(b) (the "Final Closing Statement"), exceeds 110% of the Target Marijuana Inventory or if the cash actually delivered by Seller to Buyer as set forth on the Final Closing Statement exceeds the Target Cash (the aggregate amount of any such excess or excesses, an "Excess"), Buyer will pay to Seller an amount in cash equal to the Excess by wire transfer of immediately available funds, in each case, to an account or accounts designated in writing by Seller within three Business Days. If the actual Marijuana Inventory as set forth on the Final Closing Statement is less than 90% of the Target Marijuana Inventory or if the cash actually delivered by Seller to Buyer as set forth on the Final Closing Statement is less than the Target Cash (the aggregate amount of any such deficiency or deficiencies, a "Deficiency"), Seller will pay an amount in cash equal to the Deficiency by wire transfer of immediately available funds to a bank account or accounts designated in writing by Buyer within three Business Days; provided, however, that Buyer may instead elect to offset such Deficiency from the Indemnity Escrow Amount or from any amounts owed by Buyer to Seller or any Equityholder pursuant to this Agreement or the Lightshade Aurora APA.

(c) Purchase Price Allocation; Purchased Assets. For Tax purposes, the parties agree to allocate the Purchase Price and the Assumed Liabilities (if any) (and any other items that are treated as consideration paid by Buyer for applicable Tax purposes as of the Closing Date) among the Purchased Assets pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"), and the methodology set forth on Schedule 2.3(c) (the "Allocation Schedule"), which allocation will be binding on Seller and Equityholders. Buyer, Seller and Equityholders will file Tax Returns in a manner consistent with the Allocation Schedule.

(d) Tax Withholding. Buyer will be entitled to deduct and withhold from any payment contemplated by this Agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, or any provision of state, local or foreign Tax Law; provided, however, if Buyer believes that it will be required to deduct or withhold any such amounts, then Buyer shall provide the payee ten days prior written notice so that such payee may provide Buyer such information, documentation, or certification to reduce or eliminate such deduction or withholding. To the extent that amounts are so withheld, such amounts will be treated for all purposes hereof as having been paid to Seller or such other Person in respect of whom such withholding or deduction was made.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES OF SELLER AND EQUITYHOLDERS

Section 3. Representations and Warranties of Seller and Equityholders. Seller and Equityholders jointly and severally represent and warrant to Buyer, as of the date hereof and as of the Closing, as follows:

(a) Organization; Authority. Seller is a limited liability company duly formed, validly existing and in good standing under the Laws of the State of Colorado. Seller has full limited liability company power and authority, and each Equityholder has the full individual capacity, to enter into this Agreement and the Related Agreements to which Seller or any Equityholder is, or at the Closing will be, a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller and each Equityholder of this Agreement and any other Related Agreement to which Seller or any Equityholder is, or at the Closing will be, a party, the performance by Seller and each Equityholder of its obligations hereunder and thereunder, and the consummation by Seller and each Equityholder of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate, board, limited liability company, manager, debtholder and/or equityholder action on the part of Seller. This Agreement and the Related Agreements to which Seller or any Equityholder is, or at the Closing will be, a party, constitute or will constitute, as applicable, legal, valid and binding obligations of Seller and each Equityholder, enforceable against Seller and each Equityholder pursuant to their respective terms.

(b) Non-Contravention. Neither Seller's nor any Equityholder's execution, delivery or performance of this Agreement or any Related Agreement to which it is, or at the Closing will be, a party, or the consummation of the transactions contemplated hereby or thereby, (i) constitutes or will constitute a breach, violation or infringement of Seller's or such Equityholder's governing documents, if applicable, (ii) constitute or will constitute a breach or violation of or a

default under (with or without due notice or lapse of time or both) any Law, Order or other restriction of any Governmental Authority to which Seller, any Equityholder, the Business or any of the Purchased Asset is subject, (iii) conflicts or will conflict with, results or will result in a breach of, constitutes or will constitute a default under, results or will result in the acceleration of, creates or will create in any party the right to accelerate, terminate, modify or cancel, or will terminate, modify or cancel, or requires or will require any notice under, any material Contract or Permit to which Seller or any Equityholder is a party or by which Seller or any Equityholder is bound or by which the Business or any of the Purchased Assets is bound or affected, (iv) result or will result in the creation or imposition of any Encumbrance upon any of the Purchased Assets, or (v) require or will require any approval, license, certificate, consent, waiver, authorization, novation, notice or other Permit of or to any Person, including any Governmental Authority or any party to any Contract, except for any such approval, license, certificate, consent, waiver, authorization, novation, notice or other Permit that has been obtained or made prior to the Closing, each of which is listed on Schedule 3(b).

(c) Seller's Equity. All of Seller's issued and outstanding equity securities are, and will on the Closing Date be, owned 100% by Equityholders. Except as set forth on Schedule 3(c), there are no Contracts between Seller or any Affiliate of Seller, on the one hand, and any Equityholder or an Affiliate thereof, on the other hand, that relate to or are used related to the Purchased Assets.

(d) Compliance with Laws. Except as set forth on Schedule 3(d), Seller and Equityholders are currently, and since the Lookback Date have been, in compliance, in all material respects, with all applicable Laws in the conduct of the Business prior to the Closing and in connection with the execution, delivery and performance of this Agreement and the Related Agreements and the transactions contemplated hereby or thereby. Seller is currently, and since the Lookback Date has been, in material compliance with (i) all MED rules, including emergency rules and industry bulletins, in each case, as they are released and (ii) all applicable Colorado state and local Laws governing or pertaining to cannabis (including marijuana, hemp and derivatives thereof, including cannabidiol, in each case applicable to the Business.

(e) Title. Except as set forth on Schedule 3(e), Seller has good and valid title to all of the Purchased Assets, free and clear of all Encumbrances.

(f) Contracts. Schedule 3(f)(i) contains a schedule of all Contracts specifically related to the Business (and not related to Seller or the other businesses of Seller generally) to which Seller is a party, including the names of all parties to each such Contract and the effective dates thereof. Seller is not in default or alleged to be in default under any such Contract nor, to Seller's Knowledge, does any default by any other party to any such Contract exist. Further, to Seller's Knowledge, there exists no event, condition or occurrence which, after notice or lapse of time, or both, would constitute a default under any such Contract. Seller is not party to any Contract with respect to the Business that contains restrictive covenants, change of control provisions, non-solicit provisions, non-compete provisions, most favored nations provisions or exclusivity provisions that are binding on Seller with respect to the Business. All of such Contracts related to the Business are, to Seller's Knowledge, in full force and effect and constitute legal, valid and binding obligations of the parties thereto pursuant to their terms, and, except as set forth on Schedule 3(f)(ii), are capable of assignment to Buyer pursuant to this Agreement without any notice to or consent by any other Person. Seller has made available to Buyer a true, complete and correct copy of each such Contract.

(g) Condition; Sufficiency. The tangible Purchased Assets (i) are in good condition and working order and free from material defects, patent and latent, (ii) have been maintained pursuant to good industry practice, (iii) are in good operating condition and repair, in all material respects, except, in each case, for ordinary wear and tear, and (iv) are suitable and sufficient for the purposes for which they are used. The Purchased Assets constitute all of the properties and assets necessary for Buyer to operate the Business in substantially the same manner as conducted by Seller during the 12 months immediately preceding the Closing Date, as currently proposed to be conducted or as required by applicable Law.

(h) No Liabilities. Schedule 3(h) lists all Indebtedness of Seller relating to the Business outstanding as of the date hereof. Except as disclosed on Schedule 3(h) and except for such Liabilities which will be paid off and discharged in full by Seller prior to the Closing Date, Seller has no, and at the Closing will not have any, Liabilities which relate to, encumber, bind or otherwise restrict the Purchased Assets, including Liabilities which may become known or arise only after the Closing Date and which result from actions, events or occurrences on or prior to the Closing Date.

(i) Legal Proceedings. Except as set forth in Schedule 3(i), there is no Legal Proceeding pending or, to Seller's Knowledge, threatened against Seller or any Equityholder that, if adversely determined, would adversely affect the business, prospects, operations, employment, customer or supplier relationships, earnings, properties, or the condition, financial or otherwise, of the Purchased Assets nor is there any Order of any Governmental Authority outstanding against Seller or any Equityholder having, or which, insofar as can be reasonably foreseen, in the future may have, any such effect.

(j) Environmental. To Seller's Knowledge, the Denver Location is currently, and since the Lookback Date has been, in material compliance with all environmental Laws. The Business has not generated, manufactured, recycled, reclaimed, refined, transported or treated hazardous substances or other dangerous or toxic substances, or solid wastes, and there has been no release or threatened release of any hazardous substances on or off the Denver Location. To Seller's Knowledge, the Denver Location contains no in-ground, below or underground storage tanks or containers, either in or not in use. To Seller's Knowledge, no employee or former employee of Seller (or of any current or former subsidiary or other Affiliate) has been exposed to any hazardous material in connection with their employment by the Business. The Business has not caused or experienced past or present events, conditions, circumstances, plans or other matters that: (i) are not in compliance with all environmental Laws; or (ii) may give rise to any statutory, common law or other legal Liability, or otherwise form the basis of any Legal Proceeding based on or relating to hazardous materials. Neither Seller nor any Equityholder has received any notice or indication from any Person advising such Person that Seller is or may be responsible for any investigation or response costs with respect to a release, threatened release or cleanup of chemicals or materials with respect to the Denver Location.

(k) Taxes. Seller has duly and timely filed (and, prior to the Closing Date, will duly and timely file those currently not due) all Tax Returns required to be filed with respect to the Business, all of which were prepared pursuant to applicable Laws and all of which are materially true correct and complete, for all years and periods (and portions thereof) and for all jurisdictions (whether federal, state, local or foreign) in which any Tax Returns were due, taking into account any extensions granted under Law. Seller has withheld and timely paid all Taxes required to be withheld or paid by it with respect to the Business, and, prior to the Closing Date, will timely pay any such Taxes required to be paid by it as of such time. All applicable sales, use, excise and similar Taxes with respect to the Purchased Assets, to the extent due, were paid by Seller when the Purchased Assets were acquired by Seller, and Seller has collected and paid all applicable sales, use, excise and similar Taxes required to be collected and paid by Seller on the sale of products or taxable services by Seller with respect to the Business. There are no existing Encumbrances for Taxes upon any of the Purchased Assets. No claim has ever been made by any Governmental Authority in a jurisdiction where Seller does not file a particular type of Tax Return or pay a particular type of Tax that Seller is or may be required to file such Tax Return in that jurisdiction or subject to Tax by such jurisdiction. Except as set forth on Schedule 3(k), there is no dispute, audit, examination, investigation or claim concerning any Tax Liability of Seller with respect to the Business, and no action, suit, proceeding or audit has been threatened against or with respect to Seller regarding Taxes with respect to the Business. Seller has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, in each case with respect to the Business. No deficiency for any amount of Tax with respect to the Business has been asserted, written or orally, or assessed by a Governmental Authority against Seller, and Seller does not reasonably expect that any such assertion or assessment of Tax liability will be made. No "excess parachute payment," as defined in Section 280G of the Code (or any similar provision of other applicable Law) will or could result as a direct or indirect result of the transactions contemplated by this Agreement.

(l) Benefits. Schedule 3(l) contains a list of all Employee Benefit Plans, and Seller has provided to Buyer accurate descriptions of all such plans. Each Employee Benefit Plan has been established, documented, maintained, administered, operated and funded in all material respects in accordance with its terms and in compliance with all applicable Laws. Seller has never sponsored, maintained, contributed to, or been required to contribute to, and Seller does not have any and could not reasonably be expected to have any current or future Liability (including any contingent Liability and including on account of having ever had an ERISA Affiliate) under or with respect to, (i) any "employee welfare benefit plan" (as defined in Section 3(1) of ERISA, whether or not subject to ERISA), including any group health plan, (ii) any "employee pension benefit plan" (as defined in Section 3(2) of ERISA, whether or not subject to ERISA) or any other retirement plan, including any such plan that is (or, at any time was) subject to Section 302 or 303 of ERISA, Title IV of ERISA or Section 401(a), 401(k), 408(k), 408(p), 412 or 430 of the Code, or (iii) any "multiemployer plan" (as defined in Section 3(37) or 4001(a)(3) of ERISA or 414(f) of the Code). Seller has not incurred (whether or not assessed), and there exists no condition or set of circumstances in connection with which Seller, Buyer or any of their respective Affiliates could incur, directly or indirectly, any penalty, Tax, fine, Encumbrance or Liability under ERISA (including Sections 409, 502(i) and 502(l) thereof) or Section 4975, 4980B, 4980D, 4980H, 5000, 6721 or 6722 of the Code. Seller has no current or contingent Liability as a result of at any time having an ERISA Affiliate.

(m) Employees. Seller is currently, and since the Lookback Date has been, in compliance in all material respects with all applicable Laws related to employment and employment practices, terms of employment and wages and hours with respect to employees of the Business. Seller has experienced no strikes or work stoppages with respect to the Business. There is no collective bargaining relationship between Seller and any union covering any employee of the Business, no past or pending allegation of unfair labor practices, and no dispute or controversy with any union or other organization purporting to represent any of the employees of the Business. There are no Legal Proceedings pending or, to

Seller's Knowledge, threatened involving a dispute or controversy between Seller and any of its current or former employees employed by the Business. Schedule 3(m) includes a true, correct and complete list of the Business's employees, contractors and consultants, and, for each such Person, such Person's job title, date of hire or engagement, work location, status as active or on leave (including the type of leave and anticipated return date), current base salary or hourly wage rate as applicable, current classification as exempt or non-exempt with respect to Laws governing overtime and minimum wages, full time or part-time status, visa status (including type of visa), if applicable, accrued and unused vacation time, and earned or eligible commission, bonus or any other compensation (if applicable).

(n) Intellectual Property. Seller does not own any material IP related to the Business other than the Excluded Seller IP. All Registered IP is in full force and effect; is valid, subsisting and enforceable; and has been obtained and maintained in compliance with all applicable rules, policies and procedures of the applicable Governmental Authorities. Seller is the sole and exclusive owner of the entire right, title and interest in and to the Owned IP free and clear of all Encumbrances. The Seller IP does not infringe, misappropriate or otherwise violate (collectively, "Infringe(s)") any Person's IP (and has not done so). To Seller's Knowledge, no Person Infringes the Seller IP (and has not done so). There is no Legal Proceeding pending or threatened, pertaining to any Seller IP; and to Seller's Knowledge there is no reasonable basis for any such Legal Proceeding.

(o) Information Technology Systems. All of the computer and network equipment, software and services used or relied upon by Seller in the Business (collectively, "Systems"): (i) are in good working order; (ii) are free of any material defects, bugs and errors; (iii) do not, to Seller's Knowledge, contain any disabling software, code or instructions, spyware, Trojan horses, worms, viruses or other software routines that permit or cause unauthorized access to, or disruption, impairment, disablement, or destruction of any software, data or other materials; and (iv) are sufficient for the existing needs of the Business.

(p) Privacy. Seller's Processing of Personal Information used in the Business is and at all times has been in material accordance with all Laws; and any of its Contract obligations (collectively, "Privacy Obligations"). There has been no loss, damage, unauthorized access, use, modification or other misuse of any Personal Information used in the Business Processed by the Seller ("Seller Data"). Seller has not received notice of and there are no past, pending or, to Seller's Knowledge, threatened Legal Proceedings related to the Processing of Seller Data or any Privacy Obligations related to the Business, and, to Seller's Knowledge there is no reasonable basis for any such claim or Legal Proceeding. Except for disclosures of Personal Information required by applicable Law, Seller has not sold, leased or otherwise made available to any third party any Personal Information used in the Business. The transfer of any Personal Information used in the Business to Buyer, and Buyer's use of such information to carry on the Business will not violate any Privacy Obligations.

(q) Products. All products and services sold, provided or made available by the Business (collectively, "Products") have, since the Lookback Date through the date hereof: (i) conformed with all applicable Laws, Contracts and all applicable express and implied warranties; (ii) to the extent applicable, not been adulterated or misbranded; and (iii) to the extent applicable, been free from contamination or defects. Seller has, since the Lookback Date, been in compliance with all Laws and Contracts applicable to the sale and marketing of all Products. Except as disclosed on Schedule 3(q), since the Lookback Date, no Person has provided any notice, made any claim, or commenced any Legal Proceeding concerning any Product, and, to Seller's Knowledge, there is no reasonable basis for any such claim or Legal Proceeding.

(r) Product and Service Liabilities. There exist no pending, whether known or unknown, or threatened claims against Seller for injury to any Person or property related to the Business as a result of the sale of any product or performance of any service by the Business.

(s) Financial Statements. Schedule 3(s)(i) contains (collectively, the "Financial Statements"): (i) statements of income of for the Business as of December 31 for each of the years 2021 and 2020; and (ii) statements of income for the Business for the seven-month period ended July 31, 2022. The Financial Statements are complete and accurate and fairly present the financial position and results of operations of Seller as of the respective dates thereof, all pursuant to the Company's accounting practices consistently applied throughout the periods indicated, except as disclosed on Schedule 3(s)(ii).

(t) No Changes. Except as set forth on Schedule 3(t) and except in the Ordinary Course of Business, since January 1, 2022, there has not been, in each of the following cases with respect to the Business only, (i) any material adverse change in the assets, Liabilities, financial condition, employee, or customer or supplier relationships of Seller; (ii) any damage, destruction or loss, whether covered by insurance or not, adversely affecting the Purchased Assets or the Business; (iii) any increase in the compensation payable or to become payable to any employees or independent contractors or any adoption of or increase in any bonus, insurance, pension or other employee benefit plan, payment or arrangement made to, for or with any such Person; (iv) any entry into any commitment or transaction outside the Ordinary Course of Business;

(v) any change by Seller in accounting methods, practices or principles; (vi) any termination or waiver of any rights of value to the Business; (vii) any transaction or conduct inconsistent with Seller's past business practices; (viii) any adoption or amendment of any collective bargaining, bonus, profit sharing, compensation, stock option, pension, retirement, deferred compensation, or other plan, agreement, trust, fund or arrangement for the benefit of any employee of Seller; (ix) any other occurrence, action or event which, if it had occurred or taken place after the date hereof would be prohibited by Section 5.1(c); or (x) any Contract made or entered into to do any of the foregoing.

(u) [Intentionally Omitted].

(v) Suppliers. No supplier of the Business that has provided goods or services to the Business representing, individually or in the aggregate, more than $10,000 in payments or commitments within the last 12 months has (i) ceased, or indicated any intention to cease, doing business with Seller, or (ii) materially adversely changed or indicated any intention to materially adversely change any terms or conditions for future sales of products or services from the terms or conditions that existed with respect to the purchase of such products or services during the 12-month period ending on the date hereof.

(w) Permits. Since the Lookback Date Seller has maintained all Permits with respect to the Business in full force and effect, and Seller is currently, and since the Lookback Date has been, in compliance with all such Permits and has filed all registrations, reports and other documents that, in each case, are necessary or required for the operations of the Business as currently operated, or the ownership, lease, use or operation of the assets or properties of the Business. Schedule 3(w) lists all Permits used in the Business, including all Permits associated with the Leased Real Property, and the license numbers set forth on such schedule for each such Permit are accurate, correct and complete. There is no Legal Proceeding pending or Order outstanding or, to Seller's Knowledge, threatened against Seller that would reasonably be expected to adversely affect any such Permit, and, to Seller's Knowledge, there are no facts or circumstances that could reasonably be expected to result in any such Permits being suspended or revoked or otherwise lapsing prematurely. Such Permits will be assigned to Buyer at the Closing and will continue to be in full force and effect immediately following the Closing.

(x) Real Property. Seller does not own and has never owned any real property at the Denver Location (including any ownership interest in any buildings or structures and improvements located thereon). Seller is not obligated or bound by any options, obligations or rights of first refusal or contractual rights to sell, lease or acquire any real property at the Denver Location. Schedule 3(x) sets forth a true, complete and correct list of all Contracts pursuant to which Seller leases, subleases, licenses, uses, operates or occupies or has the right to lease, sublease, license, use, operate or occupy, now or in the future, any real property at the Denver Location (each, whether written, oral or otherwise, a "Real Property Lease," and any real property, land, buildings and other improvements covered by the Real Property Lease, "Leased Real Property"), and for each such Real Property Lease, the address of the Leased Real Property that is the subject of such Real Property Lease. Seller has not assigned, transferred or pledged any interest in any Real Property Lease. There are no leases, subleases, licenses or other Contracts granting to any Person other than Seller any right of use or occupancy of any portion of the Leased Real Property. All of the land, buildings, structures and other material improvements used by Seller are included in the Leased Real Property. Seller has not exercised any option or right to terminate, renew or extend or otherwise affect any right or obligation of the tenant with respect to the Leased Real Property or to purchase any of the Leased Real Property. Seller has good and marketable leasehold title to each parcel of Leased Real Property, in each case, free of all Encumbrances. Seller has not received any written notice of any violation of Laws with respect to any Real Property Lease or any Leased Real Property. There are no pending or, to Seller's Knowledge, threatened or contemplated Legal Proceedings regarding the Leased Real Property.

(y) Brokers. Except as set forth in Schedule 3(y), neither Seller nor any Person acting on Seller's behalf has employed or engaged any financial advisor, broker or finder or incurred any Liability for any financial advisory, brokerage or finder's fee or commission in connection with this Agreement, the Related Agreements or the transactions contemplated hereby or thereby for which Seller or any of its Affiliates is or may become liable.

(z) No Untrue Statements. To Seller's Knowledge, no document, delivery, certificate, representation or warranty made by Seller or any Equityholder in or pursuant to this Agreement contains any untrue statement of a material fact or fails to state a material fact necessary to make the statements herein complete or not misleading.

ARTICLE IV.
REPRESENTATIONS AND WARRANTIES OF BUYER

Section 4. Representations and Warranties of Buyer. Buyer represents and warrants to Seller and Equityholders, as of the date hereof and as of the Closing, as follows:

(a) Organization; Standing and Power. Buyer is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Colorado. Buyer has full limited liability company power and authority

to execute, deliver and perform this Agreement and all Related Agreements to which it is, or at the Closing will be, a party and to consummate the transactions contemplated by this Agreement and each of the Related Agreements to which it is, or at the Closing will be, a party.

(b) Authorization and Non-Contravention. The execution, delivery and performance of this Agreement and the Related Agreements to which Buyer is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by all necessary limited liability company, action. This Agreement and the Related Agreements to which Buyer is, or at the Closing will be, a party each constitute a legal, valid and binding obligation of Buyer, enforceable pursuant to its terms. Buyer's execution, delivery and performance of this Agreement and the Related Agreements to which Buyer is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and thereby does not and will not (i) constitute a breach, violation or infringement of Buyer's governing documents, (ii) constitute a breach or violation of or a default under (with or without due notice or lapse of time or both) any Law, Order or other restriction of any Governmental Authority to which Buyer or any of its assets or properties is subject, (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under, any material Contract or Permit to which Buyer is a party or by which Buyer is bound or by which any of Buyer's assets or properties is bound or affected, (iv) require any Permit, certificate, consent, waiver, authorization, novation or notice of or to any other Person, including any Governmental Authority or any party to any Contract to which Buyer is a party, except, (A) with respect to subsections (ii), (iii) and (iv) as would not materially adversely affect Buyer's ability to consummate the transactions contemplated by this Agreement and (B) with respect to subsection (iv), any Permit, certificate, consent, waiver, authorization, novation or notice that has been obtained or made prior to Closing.

(c) Legal Proceedings. There is no Legal Proceeding pending or, to Buyer's knowledge, threatened against Buyer or any Affiliate that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement or the Related Agreements. To Buyer's knowledge, no event or circumstances exist that may give rise or serve as a basis for any such Legal Proceedings.

(d) Sufficiency of Funds. Buyer has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the other transactions contemplated by this Agreement.

(e) Brokers. Neither Buyer nor any Person acting on Buyer's behalf has employed or engaged any financial advisor, broker or finder or incurred any Liability for any financial advisory, brokerage or finder's fee or commission in connection with this Agreement, the Related Agreements or the transactions contemplated hereby or thereby for which Buyer or any of its Affiliates is or may become liable.

ARTICLE V.
COVENANTS

Section 5.1. Pre-Closing Covenants.

(a) General. During the period commencing on the date hereof and ending on the earlier to occur of the date on which this Agreement is validly terminated pursuant hereto or the Closing (such period, the "Interim Period"), each of the Parties will use reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things reasonably necessary, proper or advisable in order to consummate and make effective the transactions contemplated by this Agreement and the Related Agreements in a prompt and expeditious manner; provided, however, that nothing in this Agreement requires, or will be construed to require, Buyer to take, or to refrain from taking, any action (including agreeing to any concession or arrangement with any Governmental Authority or other Person that would impose any material obligation on Buyer) that would result in any restriction with respect to any properties, assets, business or operations of Buyer or its Affiliates, or to cause its Affiliates to do or agree to do any of the foregoing, whether prior to, at or following the Closing.

(b) Notices and Consents. During the Interim Period, Buyer shall have primary responsibility for, and Seller will reasonably cooperate with Buyer to provide, all notices to Governmental Authorities and other Persons and the Parties shall use commercially reasonable efforts to obtain, in writing, without penalty or condition which is adverse to Buyer or Seller, all consents, Permits, certificates, covenants, waivers, authorizations or novations required in connection with the transactions contemplated by this Agreement and the Related Agreements, including the change of control applications to the MED and the City and County of Denver (collectively, the "Regulatory Applications") as expeditiously as commercially reasonably possible. All costs and fees associated with the Regulatory Applications shall be borne and paid for by Buyer. During the Interim Period, each Party will provide to the other Parties a complete copy of all letters, applications or other documents to be submitted by such Party prior to their submission to or promptly after receipt from any Governmental Authority or other Person with respect to the Regulatory Applications, and will afford the other Parties

the opportunity to provide reasonable comment on any letter, application and other document to be submitted by such Party reasonably in advance of the anticipated time of submission. During the Interim Period, each Party will inform the other Parties of the content of any oral submission reasonably in advance of an anticipated oral communication with any Governmental Authority and afford the other Parties the opportunity to comment on any such oral submission. During the Interim Period, each Party will reasonably promptly and regularly advise the other Parties concerning the status of any documents or other communications submitted by such Party relating to the Regulatory Approvals, including any difficulties or delays experienced by such Party in obtaining and any conditions required for such items. During the Interim Period, no Party will permit any of its officers or any other representatives or agents to participate in any meeting with any Governmental Authority with respect to any filings, investigation or other inquiry relating to the transactions contemplated hereby unless it consults with the other Parties in advance and, to the extent permitted by such Governmental Authority, give the other Parties the opportunity to attend and participate thereat. During the Interim Period, neither Seller nor Buyer will: (i) enter into any agreement with any Governmental Authority not to consummate the transactions contemplated by this Agreement or the Related Agreements without the prior written consent of the other; or (ii) take any other action that would be reasonably likely to prevent or materially delay the receipt of any such consent, approval, waiver, authorization, notice or novation.

(c) Operation and Preservation of Business. During the Interim Period, without the prior written consent of Buyer, Seller will not, and Equityholders will cause Seller to not, engage in any practice, take any action or enter into any transaction outside of the Ordinary Course of Business with respect to the Business, except for any action expressly required by this Agreement. During the Interim Period, without the prior written consent of Buyer, Seller will not, and Equityholders will cause Seller not to, in each of the following cases, with respect to the Business only, engage in any practice, take or fail to take any action or enter into any Contract or transaction that could reasonably be expected to cause the representations and warranties of Seller and Equityholders contained herein to be untrue at any time between the date hereof and the Closing. During the Interim Period, Seller will conduct, and Equityholders will cause Seller to conduct, the Business in the Ordinary Course of Business and in material compliance with all Laws, and will keep the Business and its assets and properties, including Seller's present operations, physical facilities, licenses, working conditions, insurance policies, goodwill and relationships with lessors, licensors, suppliers, customers, employees and other business relations substantially intact, open and operational. Without limiting the generality of the foregoing, during the Interim Period, Seller will not, and Equityholders will cause Seller not to, without the prior written consent of Buyer, take any of the following actions, in each case with respect to the Business or Purchased Assets, as applicable, only: (i) amend, extend or terminate any material Contract or enter into any Contract, which if entered into prior to the date hereof, would be a material Contract; (ii) incur any Liability (including any Indebtedness) other than in the Ordinary Course of Business; (iii) dispose of or encumber any assets of Seller other than in the Ordinary Course of Business; (iv) increase any compensation or benefits of any employees or independent contractors of Seller or establish any new compensation or benefit plan; (v) hire, retain, engage or terminate any employee or independent contractor, move any employee or independent contractor from the Denver Location to another store or location, or make any other material personnel changes; (vi) accelerate any accounts receivable, delay or postpone any capital expenditure or the payment of accounts payable or other Liabilities, or change, in any material respect, Seller's practices in connection with the making of capital expenditures or the payment of accounts payable; (vii) grant any Person any license of or other right to IP other than non-exclusive licenses of Products granted in the Ordinary Course of Business; (viii) except as required as a result of a change in Law after the date hereof, change any of the financial accounting principles or practices of Seller; (ix) commence or settle any Legal Proceeding; (x) issue any equity interests or debt securities or repurchase or cancel any equity interests or debt securities of Seller; (xi) declare, set aside, or pay any non-cash dividend or make any non-cash distribution with respect to any equity securities of Seller or enter into any Contract with any of Equityholders; (xii) take any action that would reasonably be expected to have a material and adverse effect on the Business or the Purchased Assets; (xiii)(A) change or make any Tax election, (B) adopt or change any Tax accounting methods, (C) amend a Tax Return, (D) agree to any claims for Tax adjustments or assessments, or (E) settle any Tax claim, audit or assessment; (xiv) induce, encourage, solicit, or otherwise cause or attempt to cause any customer of the Business to move their business to another store owned or operated by Seller; provided, however, that this Section 5.1(c)(xiv) will not prohibit any general advertising or other action that is not specifically directed at customers of the Business; or (xv) agree or commit to take any of the actions described in clauses (i) through (xiv) above.

(d) Preservation of Inventory. During the Interim Period, Seller will, and each Equityholder will cause Seller to, use its reasonable efforts to maintain and preserve all inventory associated with the Business in a good and saleable condition, including being non-expired and free from mildew, fungus, rot, spoilage and agricultural neglect. During the Interim Period, Seller will maintain at least substantially similar levels of inventory of flower, trim, concentrate and edibles at the Business location as Seller has maintained over the 12 months prior to the date hereof.

(e) Access. The Parties agree that, during the Interim Period and in compliance with the applicable laws of the state of Colorado, Buyer and its authorized agents and representatives will have the right to, upon reasonable notice: (i) inspect and audit the books and records of the Business, (ii) access facilities at the Denver Location; and (iii) consult with Seller's officers, directors, managers, employees, attorneys, auditors and accountants concerning customary due diligence, employment, employee benefits and other matters, in each case as related to the Business. Such access will be during the regular hours of the Business and in a manner not to unreasonably interfere with the normal business operations of the Business.

(f) Notice of Developments. During the Interim Period, Seller will, and Equityholders will cause Seller to, give prompt written notice to Buyer of any event, occurrence or development causing, or allegation by a third party which, if true, would cause, or which would reasonably be expected to cause: (i) a breach or inaccuracy of any of the representations and warranties in Article III; (ii) any breach or nonperformance of or noncompliance with any covenant or agreement of Seller or any Equityholder in this Agreement or any Related Agreement; (iii) the failure of any condition set forth in Section 6.1; (iv) any material damage to or loss or destruction of any properties or assets owned or leased or otherwise used, or held for use, by Seller (whether or not insured); or (v) the occurrence or threatened occurrence of any event or condition which resulted in, or could reasonably be expected to result in, a material and adverse effect on the Business or the Purchased Assets. No disclosure by any Party pursuant to this Section 5.1(f) will be deemed to amend or supplement the schedules to this Agreement or prevent or cure any misrepresentation, breach of warranty, or breach of covenant, agreement or obligation.

(g) Exclusivity. During the Interim Period, neither Seller nor any Equityholder will, and each will cause each of such Person's respective officers, employees, directors, managers, members, partners, equityholders, advisors, representatives, agents and Affiliates not to, directly or indirectly solicit, initiate, encourage (including by way of furnishing information), or take any other action to facilitate any inquiry or the making of any proposal which constitutes, or could reasonably be expected to lead to, any acquisition or purchase of a substantial portion of the assets, equity interests or other securities of the Business or any tender offer or exchange offer, merger, consolidation, business combination, sale of substantially all assets, sale of securities, recapitalization, spin-off, liquidation, dissolution or similar transaction involving the Business, or any other transaction, the consummation of which would or could reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement or any Related Agreement (any of the foregoing, an "Alternate Transaction Proposal") or agree to or endorse any Alternate Transaction Proposal. Seller and each Equityholder will promptly notify Buyer of any Alternate Transaction Proposal and provide a summary of the material terms thereof.

Section 5.2. Post-Closing Covenants.

(a) Restrictive Covenants.

(i) From and after the Closing, Seller and Equityholders will keep confidential and not disclose to any other Person or use for such Person's own benefit or the benefit of any other Person any confidential or non-public information specifically related to the Business (and which is not used in the other businesses of Seller) or the Purchased Assets. The obligation of Seller, Equityholders and their Affiliates under this Section 5.2(a)(i) will not apply to information that is or becomes generally available to the public without breach of the commitment provided for in this Section 5.2(a)(i) or is required to be disclosed by applicable Law; provided, however, that, in the case of a required disclosure, Seller, Equityholders or such other Person, as applicable, will notify Buyer as early as reasonably practicable prior to disclosure to allow Buyer to take appropriate measures to preserve the confidentiality of such information.

(ii) As a material inducement to Buyer to enter into and perform its obligations under this Agreement, Seller and each Equityholder agree that, from the Closing Date through the three-year anniversary of the Closing Date (the "Non-Compete Restricted Period"), Seller and each Equityholder will not, and will cause their respective Affiliates not to, directly or indirectly own any interest in, manage, control, participate in (whether as an owner, officer, director, manager, employee, partner, agent, representative or otherwise), consult with, render services for, become employed by, or in any other manner engage in the retail sale of cannabis or cannabis product within the Restricted Area, provided, however, that Equityholders (and their applicable Affiliates) may engage in the ownership and operation of the recreational marijuana dispensaries currently owned and operated by Seller or any Equityholder located in Denver, Colorado. Nothing herein will prohibit any such Person from being a passive owner of not more than two percent of the outstanding stock of any class of a corporation involved in the cannabis business that is publicly traded. "Restricted Area" means any area within a two-mile radius of the Denver Location.

(iii) As a material inducement to Buyer to enter into and perform its obligations under this Agreement, from the Closing Date through the two-year anniversary of the Closing Date (the "Non-Solicit Restricted Period"), Seller and each Equityholder: (A) will not, and will cause their respective employees, officers, directors, managers,

agents and Affiliates not to, directly or indirectly contact, approach or solicit for the purpose of offering employment to or hiring (whether as an employee, consultant, agent, independent contractor or otherwise) or actually hire any Person employed by Buyer or its Affiliates (or any successor to the Business); provided, however, that this Section 5.2(a)(iii)(A) will not prohibit any such Person from conducting any general solicitations in a newspaper, trade publication or other periodical or web posting not specifically targeted at any Person employed by Buyer or its Affiliates (or any successor to the Business); and (B) will not induce or attempt to induce any person or entity, who during the one-year period prior to Closing, was a customer or other business relation of the Business to terminate its relationship or contract with Buyer or its Affiliates, to cease doing business with Buyer or its Affiliates, or in any way adversely interfere with the relationship between any such customer or business relation and Buyer or its Affiliates; provided, however, that this Section 5.2(a)(iii)(B) will not prohibit any general advertising or other action that is not specifically directed at customers or other business relations of the Business.

(iv) From and after the Closing, neither Seller nor any Equityholder on the one hand, nor Buyer on the hand, will, and will cause their respective employees, officers, directors, managers, agents and Affiliates not to, directly or indirectly denigrate, defame or disparage the other party(ies) or its Affiliates and their respective equityholders, managers, directors, officers, employees, independent contractors or representatives or the Business.

(v) Seller and each Equityholder, on the one hand, and Buyer, on the other hand, each acknowledge and agree that, in the event of a breach or alleged breach by such party(ies) of any of the provisions of this Section 5.2(a), monetary damages will not constitute a sufficient remedy. Consequently, in the event of any such breach or alleged breach, the other party(ies), their Affiliates and their successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance, injunctive relief, or both, or any other equitable remedies available to enforce or prevent any violations of the provisions hereof (including, without limitation, the extension of the Non-Compete Restricted Period or Non-Solicit Restricted Period, as applicable, by a period equal to (A) the length of the violation of this Section 5.2(a) plus (B) the length of any court proceedings necessary to stop such violation), in each case, without the requirement of posting a bond or proving actual damages.

(b) Inability to Assign Assets. Notwithstanding anything to the contrary contained in this Agreement or in any Related Agreement, to the extent that the assignment or attempted assignment to Buyer of any Contract or Permit that is included among the Purchased Assets and is set forth on Schedule 1.1(a)(iii) (each, an "Assigned Contract"), if any, or any claim, right or benefit arising thereunder or resulting therefrom, is prohibited by any Law, or would require any consent, waiver, authorization, notice or novation by any Person, and such consent, waiver, authorization, notice or novation has not been obtained or made prior to the Closing in a form and substance reasonably acceptable to Buyer, or with respect to which any attempted assignment would be ineffective or would materially and adversely affect the rights of Seller or Buyer thereunder, then neither this Agreement nor any Related Agreement will constitute an assignment or attempted assignment thereof, and the same will not be assigned at the Closing. If any consent, waiver, authorization, novation or notice that is necessary for the effective assignment to Buyer of any Assigned Contract (if any) cannot be obtained or made and, as a result, the material benefits of such Assigned Contract (if any) cannot be provided to Buyer following the Closing as otherwise required pursuant to this Agreement, then Seller will use commercially reasonable efforts to, with respect to any such Assigned Contracts (if any), for a period of six months, cooperate with Buyer in any reasonable arrangement designed to provide Buyer with the rights and benefits under such Assigned Contract (if any), including enforcement for the benefit of Buyer of any and all rights of Seller against any other party to such Assigned Contract (if any) arising out of any breach or cancellation of such Assigned Contract (if any) by such other party and, if requested by Buyer, acting as an agent on behalf of Buyer. Once any such consent, waiver, authorization, or novation is obtained or notice is properly made in form and substance reasonably acceptable to Buyer, Seller will assign such Assigned Contract (if any) to Buyer at no additional cost to Buyer.

(c) Post-Closing Payments. After the Closing, Seller and Equityholders will cause any financial institution to which any cash, deposits, online payments, cybercurrency, checks or other instruments of payment are delivered to an account not transferred to Buyer at the Closing with respect to the Purchased Assets or the Assumed Liabilities (if any), including, without limitation, funds relating to any accounts receivable or any other Purchased Assets, through any "lock-box" or similar arrangement, to immediately remit same to Buyer, but in all cases within five Business Days after receipt thereof. Seller will periodically provide Buyer with such additional evidence or supporting detail as Buyer may reasonably request regarding particular payments or outstanding accounts included in the Purchased Assets or the Assumed Liabilities (if any).

(d) Apportionment of Taxes and Cooperation. Notwithstanding any other provision of this Agreement, Seller and Equityholders will be jointly and severally liable and will indemnify Buyer for all Taxes attributable to the ownership or sale of the Business or Purchased Assets or any operations of Seller for all taxable periods (or portions thereof)

ending on or before the Closing Date ("Pre-Closing Taxes"). Taxes that are real, personal or intangible property Taxes and similar ad valorem obligations that are imposed on a periodic basis levied with respect to any tax period beginning on or before and ending after the Closing Date will be allocated proportionally as Pre-Closing Taxes based on the number of days in such Tax period included in the period (or portion thereof) ending on or prior to the Closing. If Buyer makes a payment of any Pre-Closing Taxes or any Taxes specified below, it will be entitled to prompt reimbursement from Seller or Equityholders for such Taxes upon presentation to Seller of evidence of such payment. Seller and Equityholders will be jointly and severally liable to, and will indemnify, Buyer for any sales, use, documentary, recording, stamp, value added, excise, transfer or similar Taxes arising from the sale of the Purchased Assets or the transactions contemplated by this Agreement ("Transfer Taxes"), and Seller will timely file any Tax Return or other necessary documentation with respect to such Transfer Taxes. Claims arising under this Section 5.2(d) will survive for the full period of any applicable statute of limitations plus an additional 60 days. After the Closing, Buyer, Seller and each Equityholder shall: (i) assist the other Party in preparing any Tax Returns which such other party is responsible for preparing and filing; and (ii) make available to the other party and to any Governmental Authority as reasonably requested, all information, records and documents relating to Taxes relating to the Business or Purchased Assets.

Section 5.3. Release of Claims. Effective as of the Closing, except with respect to (a) Seller and each Equityholder's rights under this Agreement and the Related Agreement, including any rights to any Legal Proceeding to enforce the terms of or any breach of this Agreement or any Related Agreement, and (b) if (and only if) Equityholder is an officer, manager or director of Seller, any rights, if any, with respect to any directors' and officers' liability insurance policy protecting Equityholder in such position, each Equityholder and Seller (collectively, the "Releasors"), unconditionally and irrevocably waives, releases and forever discharges Buyer and each of its Affiliates (each, a "Released Person"), from any past, present or future dispute, claim, controversy, demand, right, obligation, Liability, action or cause of action of any kind or nature, whether unknown, unsuspected or undisclosed, related to any matters, causes, conditions, acts, conduct, claims, circumstances or events arising out of or related to the Business, and none of any Equityholder, Seller or any other Releasor will seek to recover any amounts in connection therewith or thereunder from any Released Person.

Section 5.4. Employee Matters.

(a) Seller agrees to use its commercially reasonable efforts to assist Buyer in its efforts to employ any employees of the Business requested by Buyer, including those scheduled on Schedule 5.4(a)(i), and engage any independent contractors of Seller requested by Buyer, including those listed on Schedule 5.4(a)(ii). Buyer agrees to offer employment to substantially all of the employees of Seller set forth on Schedule 5.4(a)(i) which are employed by Seller as of the Closing (including any replacements thereof); provided that, notwithstanding anything to the contrary herein, Buyer will not be required to offer employment to, and may not offer employment to, without Seller's prior written consent, those employees of Seller who manage corporate operations of Seller and are listed on Schedule 5.4(a)(iii) (the "Excluded Employees"). Any employees of Seller who accept employment with Buyer, execute any documents required by Buyer to be executed in connection therewith and begin employment with Buyer are referred to herein collectively as the "Transferred Employees."

(b) Buyer will have no obligation to offer employment to, and will have no Liability to, any employee of Seller, including any employee who, on the Closing Date, is not actively employed by Seller or any Excluded Employee. Seller will bear all responsibility for, and related costs associated with the termination of any of its employees, including complying with applicable Laws. Prior to the Closing, Seller will terminate, effective no later than as of the close of business on the Business Day immediately preceding the Closing Date, all employees (other than Excluded Employees) of Seller who have not been made any offer of employment with Buyer or declined employment with Buyer. Simultaneously with such termination, Seller will pay each such terminated employee and each such terminated independent contractors all amounts owed and due under Law, and all other amounts due and owed (including termination or severance pay) in accordance with any contract or Law.

(c) Nothing contained in this Agreement, any Related Agreement or any other document contemplated hereby or thereby will confer upon any Transferred Employee or any other present or former employee of Seller any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement, any Related Agreement or any other document contemplated hereby or thereby, including any right to employment or continued employment or to any compensation or benefits that may be provided, directly or indirectly, under any employee benefit plan, policy or arrangement of Buyer, nor will anything contained in this Agreement, any Related Agreement or any other document contemplated hereby or thereby constitute a limitation on or restriction against the right of Buyer to amend, modify or terminate any such plan, policy or arrangement or compensation, benefits or other terms or conditions of employment.

(d) Seller and Buyer agree that Seller will be liable for all Liabilities of Seller with respect to Seller's employees and independent contractors (including all Transferred Employees) arising or accruing prior to the Closing Date and including any employment Taxes imposed with respect to any payments of compensation to employees and independent contractors arising in connection with the transactions contemplated by this Agreement, regardless of whether arising at or before the Closing, and Buyer will be and become liable for all employment-related Liabilities of the Transferred Employees and all Liabilities first arising after the Closing Date.

Section 5.5. Use of Name. Seller hereby grants Buyer a non-exclusive, non-transferrable, sublicensable license to display, copy, and otherwise use the "Lightshade" name and any logos or branding associated therewith, for a period of 30 days immediately following the Closing, including but not limited to displaying such name, logos and/or branding at the Denver Location, and any associated online content, marketing collateral and other materials.

ARTICLE VI.
CONDITIONS TO CLOSING

Section 6.1. Conditions to the Obligation of Buyer to Closing. The obligations of Buyer to consummate the transactions contemplated by this Agreement and the Related Agreements are subject to the satisfaction at or before the Closing of all of the following conditions, any one or more of which may be waived by Buyer, in Buyer's sole discretion:

(a) Representations and Warranties. All of the representations and warranties made by Seller and Equityholders in this Agreement must be true and correct in all material respects as of the date hereof and at and as of the Closing as though made on the Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case, such representations and warranties must be true and correct in all material respects as of such specified date); provided, however, that, the Fundamental Representations and such representations and warranties that are qualified by Materiality Qualifiers (as so qualified) must be true and correct in all respects.

(b) Covenants. Seller and Equityholders must have performed and complied in all material respects with all of their respective covenants, obligations and agreements in this Agreement to be performed and complied with at or before the Closing.

(c) Proceedings. No Legal Proceeding will be pending or threatened with respect to Seller, Equityholders or the Business in which an unfavorable Order would: (i) prevent or materially impair the consummation of any of the transactions contemplated by this Agreement or any Related Agreement; or (ii) cause any of the transactions contemplated by this Agreement or any Related Agreement to be rescinded following consummation (and no such Order will be in effect).

(d) Seller Deliveries. Seller must have delivered to Buyer or have caused to be delivered to Buyer each of the following documents at or before the Closing:

(i) a certificate executed by a duly authorized officer of Seller and Equityholder, dated as of the Closing Date, certifying that (A) as to Seller and Equityholder, as applicable, each of the conditions specified in Sections 6.1(a), 6.1(b), 6.1(c), 6.1(e) and 6.1(f) are satisfied in all respects, (B) attached thereto are true, complete and correct copies of the resolutions of the managers of Seller authorizing the execution, delivery and performance of this Agreement and the Related Agreements and the consummation of the transactions contemplated herein and therein, as are then in full force and effect and (C) attached thereto are good standing certificates, dated as of a recent date prior to the Closing Date, from the Governmental Authority of the jurisdiction of Seller's incorporation or organization and each other jurisdiction in which Seller is qualified to do business (the "Closing Certificate");

(ii) the Bill of Sale, duly executed by Seller;

(iii) a copy of Schedule A (Effective Date of Change of Ownership) to any contingent Regulatory Approval letter received by Buyer or Seller from the MED that is fully executed by Seller;

(iv) duly completed and executed IRS Forms W-9 from Seller and any other Person receiving any payments from Buyer pursuant to this Agreement or any Related Agreement;

(v) no later than one Business Day prior to the Closing Date, a payoff letter from each lender of Seller or other holder of Closing Date Repaid Indebtedness or any Encumbrance with respect to the Purchased Assets contemplated to be repaid on the Closing Date, reasonably acceptable to Buyer, including that all Encumbrances on the properties or assets of Seller, including any Purchased Asset, will automatically be released upon the satisfaction of the conditions in such letter (each, a "Payoff Letter");

(vi) no later than one Business Days prior to the Closing Date, an invoice from each holder of Seller Transaction Expenses contemplated to be repaid on the Closing Date in customary form and reasonably acceptable to Buyer (the "Seller Transaction Expenses Invoices");

(vii) a Lease Estoppel Certificate and Lease Assignment with respect to each Real Property Lease, duly executed by the applicable landlord and Seller, in form reasonably satisfactory to Buyer;

(viii) evidence reasonably satisfactory to Buyer of the release of all Encumbrances with respect to the Purchased Assets;

(ix) evidence reasonably satisfactory to Buyer of the consent or approval of, and the giving of all notices to, those Persons whose consent or approval is required, or who are entitled to notice, in connection with Seller's execution, delivery and performance of this Agreement and the Related Agreements to which Seller is, or at the Closing will be, a party, and the consummation of the transactions contemplated hereby and thereby, including the consents of and notices to the Persons listed on Schedule 3(f)(ii); and

(x) such other instruments, documents and certificates as are required by the terms of this Agreement and the Related Agreements, or as may be reasonably requested by Buyer in connection with the consummation of the transactions contemplated herein.

(e) No Material Adverse Effect. There will have been no event, fact, change or occurrence having a material and adverse effect on the Business or any of the Purchased Assets.

(f) Regulatory Approvals. The Parties will have received the necessary Regulatory Approvals from each of (i) the MED and (ii) the city and county of Denver, Colorado, each of which will be in full force and effect as of the Closing.

Section 6.2. Conditions to the Obligation of Seller and Equityholders to Close. The obligations of Seller and Equityholders to consummate the transactions contemplated by this Agreement and the Related Agreements are subject to the satisfaction at or before the Closing of all of the following conditions, any one or more of which may be waived by Seller, in its sole discretion:

(a) Representations and Warranties. All of the representations and warranties made by Buyer in this Agreement must be true and correct in all material respects as of the date hereof and at and as of the Closing as though made on the Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case, such representations and warranties must be true and correct in all material respects as of such specified date); provided, however, that such representations and warranties that are qualified by Materiality Qualifiers (as so qualified) must be true and correct in all respects.

(b) Covenants. Buyer must have performed and complied in all material respects with all of its covenants, obligations and agreements under this Agreement to be performed or complied with at or before the Closing, including, without limitation, the payment of the Purchase Price.

(c) Buyer Deliveries. Buyer will have delivered to Seller each of the following at or before the Closing:

(i) a certificate executed by a duly authorized officer of Buyer, dated as of the Closing Date, certifying that each of the conditions specified above in Sections 6.2(a) and 6.2(b) is satisfied in all respects;

(ii) the Bill of Sale, duly executed by Buyer;

(iii) the Lease Estoppel Certificate and Lease Assignment, duly executed by Buyer; and

(iv) a copy of Schedule A (Effective Date of Change of Ownership) to any contingent Regulatory Approval letter received by Buyer or Seller from the MED that is fully-executed by Buyer.

Section 6.3. Closing. The closing of the transactions contemplated by this Agreement and the Related Agreements (the "Closing") will take place by email (in portable document format) transmission to the respective offices of legal counsel for the Parties of the requisite documents, duly executed where required, delivered upon actual confirmed receipt, on the fourth Business Day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby set forth in Section 6.1 and Section 6.2 (other than conditions with respect to actions the respective Parties will take at the Closing itself) or such other place, date and time as mutually agreed upon by the Parties (the "Closing Date").

ARTICLE VII.
TERMINATION

Section 7.1. Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) Buyer and Seller, on its own behalf and on behalf of Equityholders, may terminate this Agreement by mutual written consent.

(b) Buyer may terminate this Agreement by giving written notice to Seller:

(i) in the event that Seller or any Equityholder breaches any representation, warranty, covenant, obligation or agreement contained in this Agreement in any respect, and such breach or breaches, individually or collectively, would, if occurring or continuing on the Closing Date, give rise to the failure of a condition set forth in Section 6.1 to be satisfied, Buyer notifies Seller of the breach, and the breach, if capable of cure, continues without cure for a period of ten days after the notice of breach (provided that Buyer may not terminate this Agreement pursuant to this subsection if Buyer is then in breach of any of its representations, warranties, covenants, obligations or agreements contained in this Agreement which would give rise to the failure of a condition set forth in Section 6.2 to be satisfied);

(ii) if the Closing has not occurred on or before 180 days after the date in which the Parties submit the Regulatory Applications (the "Outside Date") (provided that Buyer may not terminate this Agreement pursuant to this subsection if such failure results primarily from Buyer breaching any representation, warranty, covenant, obligation or agreement contained in this Agreement);

(iii) an applicable Law or final, non-appealable Order by a U.S. federal or state court of competent jurisdiction will have enacted, entered, enforced, promulgated, issued or deemed applicable to the transactions contemplated by this Agreement that prohibits the Closing;

(iv) all of the conditions to close set forth in Section 6.1 and Section 6.2 have been satisfied or waived, Buyer stands ready to consummate the Closing and Seller nevertheless refuses to consummate the Closing within the time period set forth in Section 6.3 (provided that Buyer may not terminate this Agreement pursuant to this subsection unless Buyer has delivered a written notice on or after the date by which the parties are required to close pursuant to Section 6.3 of Buyer's intention to terminate the Agreement and Seller has not consummated the Closing within three (3) Business Days after receipt of such notice); or

(v) the Regulatory Approvals cannot reasonably be obtained due to Seller's failure to provide any necessary documents or information, or failure to take any necessary action, as described further in Section 5.1(b) above (provided that Buyer may not terminate this Agreement pursuant to this subsection if this Agreement is then terminable by Seller pursuant to Section 7.1(c)(v)).

(c) Seller, on its own behalf and on behalf of Equityholders, may terminate this Agreement by giving written notice to Buyer:

(i) in the event that Buyer breaches any representation, warranty, covenant, obligation or agreement contained in this Agreement in any respect, and such breach or breaches, individually or collectively, would, if occurring or continuing on the Closing Date, give rise to the failure of a condition set forth in Section 6.2 to be satisfied, Seller notifies Buyer of the breach, and the breach, if capable of cure, continues without cure for a period of ten days after the notice of breach (provided that Seller may not terminate this Agreement pursuant to this subsection if Seller or any Equityholder is then in breach of any of its representations, warranties, covenants, obligations or agreements contained in this Agreement which would give rise to the failure of a condition set forth in Section 6.1 to be satisfied);

(ii) if the Closing has not occurred on or before the Outside Date (provided that Seller may not terminate this Agreement pursuant to this subsection if such failure results primarily from Seller or any Equityholder breaching any representation, warranty, covenant or agreement contained in this Agreement);

(iii) an applicable Law or final, non-appealable Order by a U.S. federal or state court of competent jurisdiction will have enacted, entered, enforced, promulgated, issued or deemed applicable to the transactions contemplated by this Agreement that prohibits the Closing;

(iv) all of the conditions to close set forth in Section 6.1 and Section 6.2 have been satisfied or waived, Seller stands ready to consummate the Closing and Buyer nevertheless refuses to consummate the Closing within the time period set forth in Section 6.3 (provided that Seller may not terminate this Agreement pursuant to this subsection unless Seller has delivered a written notice on or after the date by which the parties are required to close pursuant to Section 6.3 of Seller's intention to terminate the Agreement Section and Buyer has not consummated the Closing within three (3) Business Days after receipt of such notice); or

(v) the Regulatory Approvals cannot reasonably be obtained due to Buyer's failure provide any necessary documents or information, or failure to take any necessary action, as described further in Section 5.1(b) above (provided that Seller may not terminate this Agreement pursuant to this subsection if this Agreement is then terminable by Buyer pursuant to Section 7.1(b)(v)).

Section 7.2. Buyer Termination Fee. Buyer will pay Seller a termination fee equal to $100,000 (the "Buyer Termination Fee") in the event that this Agreement is terminated by Seller pursuant to Section 7.1(c)(i), Section 7.1(c)(ii), Section 7.1(c)(iv) or Section 7.1(c)(v). Any Buyer Termination Fee payable pursuant to this Section 7.2 shall be paid by Buyer to Seller via wire transfer of immediately available funds within thirty (30) days of termination of this Agreement. Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that this Agreement is terminated under circumstances in which the Buyer Termination Fee is payable pursuant to this Section 7.2, (i) the right to enforce payment thereof against Buyer, or Parent pursuant to Section 9.1(f), shall be the sole and exclusive remedy of Seller and the Equityholders against Buyer and (ii) upon payment of the Buyer Termination Fee pursuant to this Section 7.2, Buyer shall have no further liability or obligation relating to or arising out of this Agreement or the Related Agreements. If Buyer pays the Buyer Termination Fee to Seller, Seller shall not pursue any additional remedies against Buyer or its Affiliates and the Buyer Termination Fee shall be Seller's sole remedy against Buyer and its Affiliates. For the avoidance of doubt, Buyer shall not be required to pay the Buyer Termination Fee (i) on more than one occasion, (ii) at all if Seller is granted specific performance of Buyer's obligations to consummate the transactions contemplated by this Agreement pursuant to Section 9.1(b) or (iii) in the event the parties cannot reasonably obtain the Regulatory Approvals through no fault of either Party. Any claim based upon, in respect of, arising under, out of or because of, connected with, or relating to the Buyer Termination Fee may be made only against Buyer, or Parent pursuant to Section 9.1(f).

Section 7.3. Seller Termination Fee. Seller will pay Buyer a termination fee equal to $100,000 (the "Seller Termination Fee") in the event that this Agreement is terminated by Buyer pursuant to Section 7.1(b)(iv). Any Seller Termination Fee payable pursuant to this Section 7.3 shall be paid by Seller to Buyer via wire transfer of immediately available funds within thirty (30) days of termination of this Agreement. Notwithstanding anything to the contrary in this Agreement or otherwise, in the event that this Agreement is terminated under circumstances in which the Seller Termination Fee is payable pursuant to this Section 7.3, (i) the right to enforce payment thereof against Seller shall be the sole and exclusive remedy of Buyer against Seller and (ii) upon payment of the Seller Termination Fee pursuant to this Section 7.3, Seller shall have no further liability or obligation relating to or arising out of this Agreement or the Related Agreements. If Seller pays the Seller Termination Fee to Buyer, Buyer shall not pursue any additional remedies against Seller or the Equityholders and the Seller Termination Fee shall be Buyer's sole remedy against Seller and the Equityholders. For the avoidance of doubt, Seller shall not be required to pay the Seller Termination Fee (i) on more than one occasion, (ii) at all if Buyer is granted specific performance of Seller's obligations to consummate the transactions contemplated by this Agreement pursuant to Section 9.1(b) or (iii) in the event the parties cannot reasonably obtain the Regulatory Approvals through no fault of either Party. Any claim based upon, in respect of, arising under, out of or because of, connected with, or relating to the Seller Termination Fee may be made only against Seller.

Section 7.4. Effect of Termination. The termination of this Agreement pursuant to Section 7.1 will not be deemed to release any Party from any Liability for breach of any representation, warranty, covenant, obligation or agreement contained in this Agreement (nor a waiver of any right in connection therewith) and will be in addition to any other right or remedy a Party has under this Agreement or otherwise. The exercise of a right of termination of this Agreement is not an election of remedies.

ARTICLE VIII.
INDEMNIFICATION

Section 8.1. Indemnification.

(a) Indemnification Obligations of Seller and Equityholders. Seller and Equityholders will jointly and severally indemnify, defend and reimburse Buyer and its Affiliates and each of their respective officers, directors, managers, subsidiaries, employees, successors, assigns, agents and representatives (the "Buyer Indemnified Parties") for and hold harmless each Buyer Indemnified Party from and against and be liable for any Damages related to or arising, directly or indirectly, out of, caused by or resulting from any of the following: (i) any Excluded Liability or Excluded Asset; (ii) any breach of any of the representations and warranties of Seller and Equityholders in Article III or in any certificate or other document or instrument delivered by Seller or any Equityholder or caused to be delivered by Seller pursuant to any provision of this Agreement; (iii) any breach of any term, provision, covenant or agreement contained in this Agreement or any of the Related Agreements by Seller or any Equityholder; (iv) any broker, investment banker or adviser fees, or any other fees, costs or expenses incurred by or on behalf of Seller or any Equityholder in connection with this Agreement or any Related Agreement; (v) any Pre-Closing Taxes, Transfer Taxes or other Taxes of Seller; or (vi) any fraud, knowing or intentional misrepresentation or willful misconduct on the part of Seller or any Equityholder. Notwithstanding anything contained herein to the contrary, the obligations of Seller and Equityholders pursuant to Section 8.1(a)(ii) of this Agreement (a) will not apply to the first $15,000 in Damages (the "Threshold"), and (b) will be limited to, and will not exceed, (i) in the case any such breach is a Duplicative Breach (defined below), $500,000 and (ii) for all other such breaches, $180,000 (the

applicable amount, the "Cap") in the aggregate; provided, however, that the Threshold and the Cap will not apply to any Damages resulting from breaches of Fundamental Representations, fraud or intentional, willful or fraudulent actions or misrepresentations (or, for the avoidance of doubt, obligations of Seller and Equityholders pursuant to a section herein other than Section 8.1(a)(ii)). For purposes of calculating the amount of Damages arising out of or relating to any inaccuracy or breach of any representation or warranty in Article III, and the determination of whether a breach has occurred, all Materiality Qualifiers will be disregarded. Notwithstanding anything to the contrary herein or in the Lightshade Aurora APA, with respect to any event or circumstance giving rise to a breach of Section 3(a), (b), (c), (l), (n) or Section 5.2(a) of this Agreement and the corresponding section of the Lightshade Aurora APA (i.e. Section 3(a), (b), (c), (l), (n) or Section 5.2(a) of the Lightshade Aurora APA, as applicable) (a "Duplicative Breach"), the Buyer Indemnified Parties shall only be entitled to indemnification for such breach under either this Agreement or the Lightshade Aurora APA, but not both.

(b) Indemnification Obligations of Buyer. Buyer will indemnify, defend and reimburse Seller and Equityholders and their respective Affiliates and each of their respective officers, directors, managers, subsidiaries, employees, successors, assigns, agents and representatives (the "Seller Indemnified Parties") for and hold harmless each Seller Indemnified Party from and against and be liable for any Damages related to or arising, directly or indirectly, out of, caused by or resulting from any of the following: (i) any breach of any of the representations and warranties of Buyer in Article IV; (ii) any breach of any term, provision, covenant or agreement contained in this Agreement or any of the Related Agreements by Buyer; or (iii) any fraud, knowing or intentional misrepresentation or willful misconduct on the part of Buyer. Notwithstanding anything to the contrary herein or in the Lightshade Aurora APA, with respect to any event or circumstance giving rise to a breach of Section 4(a) or (b) of this Agreement and the corresponding section of the Lightshade Aurora APA (i.e. Section 4(a) or (b) of the Lightshade Aurora APA, as applicable), the Seller Indemnified Parties shall only be entitled to indemnification for such breach under either this Agreement or the Lightshade Aurora APA, but not both.

(c) Survival. The representations and warranties contained in this Agreement or in any Related Agreement, and all related rights to indemnification, will survive the Closing as follows: (i) all of the representations and warranties of Seller and Equityholders contained in this Agreement and the Closing Certificate, in each case, other than the Fundamental Representations, will survive the Closing and terminate on the date that is 12 months after the Closing Date; and (ii) the Fundamental Representations, including the Fundamental Representations referenced in the Closing Certificate, will survive the Closing and will terminate on the six-year anniversary of the Closing Date. All other covenants, obligations and agreements contained in this Agreement will survive the Closing for the later of (a) six years following the Closing Date or (b) 90 days following the date on which such covenant is fully performed.

(d) Recovery. If and to the extent that any Buyer Indemnified Party or Seller Indemnified Party is entitled to indemnification pursuant to this Agreement (after giving effect to the limitations on indemnification set forth in Section 8.1(a)), such Buyer Indemnified Party or Seller Indemnified Party will recoup all or any portion of any Damages to which such Buyer Indemnified Party or Seller Indemnified Party is entitled by directing cash payment of, and Seller and Equityholders or Buyer, respectively, will pay, monetary Damages from Seller and Equityholders or Buyer, respectively; provided that, subject to the Cap, Buyer must first recover any such Damages from the Indemnity Escrow Amount before pursuing Seller or any Equityholder for the remainder, if any, of such Damages. Such remedies are not exclusive of any other remedies the Buyer Indemnified Party may exercise at law or in equity to satisfy Seller's and Equityholders' indemnification obligations hereunder.

(e) Indemnity Escrow. Subject to the Escrow Agreement, the Indemnity Escrow Amount, less any amounts that have been released to compensate any Buyer Indemnified Party for Damages as provided in Section 8.1 of this Agreement or Section 8.1 of the Lightshade Aurora APA, or to compensate for a Deficiency as provided in Section 2.3(b) of this Agreement or Section 2.3(b) of the Lightshade Aurora APA, will be released to Seller within ten (10) Business Days after the Release Date; provided, however, that any portion of the Indemnity Escrow Amount that is necessary to satisfy any pending claims for indemnification pursuant to this Agreement or the Lightshade Aurora APA that is specified in a written notice delivered to Seller prior to 11:59 p.m., Mountain Time, on the Release Date will not be payable to Seller hereunder until final resolution of all such claims, at which time the amount of the Indemnity Escrow Amount held back to satisfy such pending claims, to the extent not released to compensate any Buyer Indemnified Party for Damages as provided in Section 8.1 of this Agreement or Section 8.1 of the Lightshade Aurora APA will be released to Seller. Each Party will cooperate, and cause any Affiliate to cooperate, in timely making all filings, Tax Returns, reports, claims for refund and forms as may be required in connection with the foregoing to comply with all applicable Laws. Upon request, Buyer, Seller, and Equityholders, as applicable, will provide each other with the information that either party reasonably requests in connection with its Tax reporting obligations under applicable Law.

ARTICLE IX.
MISCELLANEOUS

Section 9.1. Miscellaneous.

(a) Governing Law. This Agreement and the agreements executed in connection herewith will be governed by the laws of the State of Colorado (regardless of the laws that might otherwise govern under applicable principles of conflicts of law of the State of Colorado) as to all matters including, but not limited to, matters of validity, construction, effect, performance and remedies.

(b) Specific Performance. The Parties agree that if any party hereto is obligated to, but nevertheless does not, perform any covenant, agreement or obligation set forth in this Agreement or any of the Related Agreements, then any other party, in addition to all other rights or remedies such party may have, will be entitled to the remedy of specific performance mandating that the other party or parties perform such covenant, agreement or obligation. In an action for specific performance by any party against any other party, the other party will not plead adequacy of damages at law. For the avoidance of doubt, under no circumstances shall either party be permitted or entitled to receive both a grant of specific performance to cause the Closing to occur and payment of the Buyer Termination Fee (in the case of Seller) or the Seller Termination Fee (in the case of Buyer).

(c) Further Assurances. From time to time after the Closing Date, at Buyer's request, and without further consideration from Buyer, Seller and Equityholders will execute and deliver such other instruments of conveyance and transfer and take such other actions as Buyer reasonably may require to convey, transfer to and vest in Buyer and to put Buyer in possession of the Purchased Assets.

(d) Waiver of Compliance; Consents. Any failure of Seller or any Equityholder, on the one hand, or Buyer, on the other hand, to comply with any obligation, covenant, agreement or condition herein may be waived in writing by Buyer or by Seller, respectively, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Party hereto, such consent will be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 9.1(d).

(e) Expenses. Each Party will pay its own legal, accounting and other expenses incurred by such Party or on its behalf in connection with this Agreement and the transactions contemplated herein and all such fees incurred by Seller, any Equityholder and any of their Affiliates at or prior to the Closing are deemed Excluded Liabilities.

(f) Parent Guarantee. Parent will cause Buyer to comply with all of its payment and indemnity obligations set forth in this Agreement, and, as a material inducement to Seller entering into this Agreement, Parent hereby guarantees the full performance and payment thereof by Buyer. This is a guarantee of payment and of collection, and Buyer and Parent agree that Seller may pursue any and all available remedies it may have arising out of any breach by Buyer of Buyer's payment and indemnity obligations set forth herein against either or both of Parent or Buyer.

(g) Notices. All notices and other communications hereunder will be in writing and will be deemed received (i) on the date of delivery if delivered personally or by messenger service, (ii) on the date of confirmation, by reply email, of receipt of transmission by email (or, the first Business Day following such receipt if (x) the date is not a Business Day or (y) confirmation of receipt is given after 5:00 p.m., Mountain Time) or (z) on the date of confirmation of receipt if delivered by a nationally recognized courier service (or, the first Business Day following such receipt if (a) the date is not a Business Day or (b) confirmation of receipt is given after 5:00 p.m., Mountain Time), to the Parties at the following addresses or email addresses (or at such other addresses or email addresses for a Party as will have been specified by like notice):

if to Buyer or Parent, to:

Schwazze
4880 Havana Street, Suite 201
Denver, Colorado 80239
Attention: Dan Pabon
Email Address: dan@schwazze.com

with a copy to (not constituting notice):

Perkins Coie LLP
1900 Sixteenth Street, Suite 1400

Denver, Colorado 80202
Attention: Kester Spindler and Jackie Wilcox
Email Addresses: kspindler@perkinscoie.com; jwilcox@perkinscoie.com

if to Seller or any Equityholder, to:

Lightshade Labs LLC
3575 Ringsby Ct. #400
Denver, CO 80216
Attention: Steve Brooks
Email Address: steve@lightshade.com

with a copy to (not constituting notice):

Husch Blackwell LLP
1801 Wewatta Street, Suite 1000
Denver, Colorado 80202
Attention: Steve Levine
Email Address: steve.levine@huschblackwell.com

(h) Appointment of Seller as Agent. Each Equityholder (a) hereby irrevocably constitutes and appoints Seller as such Equityholder's agent, attorney in fact and representative, with full power to do any and all things on behalf of such Equityholder, and to take any action required or contemplated to be taken by such Equityholder, under this Agreement or any Related Agreement (including any amendments, waivers or modifications of this Agreement) and (b) will be bound by all actions taken by Seller regarding this Agreement or any Related Agreement or in connection with any transaction contemplated hereby or thereby. Buyer will at all times (i) be entitled to rely upon any communication with Seller as being binding with respect to each Equityholder, (ii) have no obligation to otherwise communicate with any Equityholder (including indemnification matters) and (iii) not be liable to any Equityholder for any action taken or omitted to be taken by Buyer.

(i) Risk of Loss. Seller will bear all risk of loss, destruction or damage to any of the Purchased Assets occurring prior to the Closing, regardless of circumstance. Buyer will have no responsibility with respect thereto.

(j) Press Release and Public Announcements. Except as otherwise required by Law, (i) neither Seller nor the Equityholders, on the one hand, nor Buyer, on the other hand, will, and will not permit any of their respective Affiliates, representatives or advisors to, issue or cause the publication of any press release or make any other public announcement with respect to the transactions contemplated by this Agreement and the Related Agreements without the prior written consent of the other party(ies) and (ii) Seller and Buyer will consult and cooperate with each other as to the timing and content of the announcement of the transactions contemplated hereby to the employees, customers and suppliers of the Business. Notwithstanding anything in this Agreement to the contrary, following the Closing, Buyer or any of its Affiliates, representatives or advisors may issue or cause the publication of any press release or make any other public announcement, including any tombstone advertisements, with respect to the transactions contemplated by this Agreement and the Related Agreements without the prior written consent of Seller or any Equityholder.

(k) Partial Invalidity. In the event that any provision of this Agreement, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

(l) Interpretation. In this Agreement: (a) headings are for convenience of reference only and will not affect the meaning or interpretation of this Agreement; (b) the words "herein," "hereunder," "hereby" and similar words refer to this Agreement as a whole (and not to the particular sentence, paragraph, Article or Section where they appear); (c) terms used in the plural include the singular, and vice versa, unless the context clearly requires otherwise; (d) unless otherwise required by the context in which they appear, the terms "assets" and "properties" are used interchangeably; (e) unless expressly stated herein to the contrary, reference to any document (except for any reference to a document in the Disclosure Schedule) means such document as amended or modified and as in effect from time to time pursuant to the terms thereof; (f) unless expressly stated herein to the contrary, reference to any Law means such Law as amended, modified, codified, replaced or reenacted, in whole or in part, and as in effect from time to time, including any rule or regulation promulgated

thereunder; (g) the words "including," "include" and variations thereof are deemed to be followed by the words "without limitation"; (h) "or" is used in the sense of "and/or"; "any" is used in the sense of "any or all"; and "with respect to" any item includes the concept "of" such item or "under" such item or any similar relationship regarding such item; (i) unless expressly stated herein to the contrary, reference to a document, including this Agreement, will be deemed to also refer to each annex, addendum, exhibit, schedule or other attachment thereto; (j) unless expressly stated herein to the contrary, reference to an Article, Section, Schedule, Disclosure Schedule, or Exhibit is to an article, section, schedule, the Disclosure Schedule, or exhibit, respectively, of this Agreement; (k) when calculating a period of time, the day that is the initial reference day in calculating such period will be excluded and, if the last day of such period is not a Business Day, such period will end on the next day that is a Business Day; (l) with respect to all dates and time periods in or referred to in this Agreement, time is of the essence; (m) the terms "shall" and "will" are used interchangeably; and (n) the phrase "the date hereof" means the date of this Agreement, as stated in the first paragraph hereof. All dollar ($) references in this Agreement are to United States dollars and all amounts that are to be calculated or paid hereunder will be calculated or paid in United States dollars. The Parties acknowledge and agree that any reference herein or in the Disclosure Schedule to documents having been furnished, delivered, made available or disclosed to Buyer, or words of similar import, will be deemed to refer to such documents as were made available and accessible to Buyer and Buyer's representatives for their review by posting to the "Project Laser" folder in the electronic data room hosted by Dropbox.com before 5:00 p.m., Mountain Time, on the date that is three (3) Business Days prior to the date hereof.

(m) Assignment. This Agreement and all of the provisions hereof and the other documents or agreements contemplated hereby will be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder or under any of the other documents or agreements contemplated hereby will be assigned by Seller or any Equityholder, on the one hand, or Buyer, on the other hand without the prior written consent of the other party(ies), which consent shall not be unreasonably withheld, conditioned or delayed; provided that Buyer may, without the prior written consent of Seller, assign this Agreement to an Affiliate. Any such permitted assignment shall not release Buyer from its obligations under this Agreement.

(n) Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed will be an original, but all of such counterparts will together constitute but one and the same instrument. This Agreement, which term as used throughout includes the Exhibits and Schedules hereto, embodies the entire agreement and understanding of the Parties hereto in respect of the subject matter contained herein.

(o) Entire Agreement. There are no restrictions, promises, representations, warranties, covenants or undertakings other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to such subject matter.

[*Signature Page Follows*]

If you are in agreement with the foregoing, please so indicate by signing and returning one copy of this Asset Purchase Agreement, whereupon it will constitute the agreement of Buyer, Parent (solely for purposes of Section 9.1(f)), Seller and Equityholders with respect to the subject matter hereof.

BUYER:

DOUBLE BROW, LLC

By: SCHWAZZE COLORADO, LLC

By: MEDICINE MAN TECHNOLOGIES, INC.
(d/b/a SCHWAZZE), its sole manager

By: _____
Name: Dan Pabon
Title: General Counsel and Chief Government Affairs Officer

PARENT:

MEDICINE MAN TECHNOLOGIES, INC.

(d/b/a SCHWAZZE)

By: _____
Name:
Title:

If you are in agreement with the foregoing, please so indicate by signing and returning one copy of this Asset Purchase Agreement, whereupon it will constitute the agreement of Buyer, Parent (solely for purposes of Section 9.1(f)), Seller and Equityholders with respect to the subject matter hereof.

SELLER:

LIGHTSHADE LABS LLC

By: _____
Name:
Title:

EQUITYHOLDERS:

_____
Thomas Van Alsburg

_____
Steve Brooks

_____
John Fritzel

EXHIBIT A
DEFINITIONS

"Affiliate" means, with respect to any Person, any Person that controls, is controlled by or is under common control with, such Person. A Person will be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by Contract or otherwise.

"Bill of Sale" means the Bill of Sale and Assignment and Assumption Agreement, in substantially the form attached hereto as Exhibit B.

"Business Day" means a day other than Saturday, Sunday or any bank holiday in Denver, Colorado.

"Buyer Termination Fee" has the meaning set forth in Section 7.2.

"Contract" means any contract, agreement, understanding, commitment, purchase order, warranty or guarantee, license, use agreement, lease (whether for real estate, a capital lease, an operating lease or other lease), instrument or note, in each case, whether oral or written.

"Damages" means any losses, costs, damages, Liabilities, Taxes, expenses, Legal Proceedings or Orders (including reasonable legal fees and expenses and all amounts paid in investigation, defense or settlement of any of the foregoing), whether asserted by third parties or incurred or sustained in the absence of third-party claims.

"Employee Benefit Plan" means any retirement, pension, profit sharing, deferred compensation, stock bonus, savings, bonus, incentive, cafeteria, medical, dental, vision, hospitalization, life insurance, accidental death and dismemberment, medical expense reimbursement, dependent care assistance, welfare, tuition reimbursement, disability, sick pay, holiday, vacation, employment, consulting, independent contractor, personal services, retention, severance, change of control, equity purchase, equity option, restricted equity, phantom equity, equity appreciation rights, loan, fringe benefit or other compensation or benefit plan, fund, policy, program, practice, Contract or arrangement of any kind (including any "employee benefit plan," as defined in Section 3(3) of ERISA, whether or not subject to ERISA), whether written or oral, qualified or nonqualified, funded or unfunded, or domestic or foreign, (a) that is sponsored, maintained, contributed to or required to be contributed to by Seller or any ERISA Affiliate (or to which Seller or ERISA Affiliate is a party) and that covers or benefits any current or former employee, officer, director, manager, consultant, independent contractor or other service provider of or to Seller (or any spouse, domestic partner, dependent or beneficiary of any such individual), or (b) with respect to which Seller has (or could have) any Liability (including any contingent Liability).

"Encumbrance" means any (a) security interest, lien (excluding any mechanic's lien or materialmen's lien arising in the ordinary course of business consistent with past practice or Tax liens not yet due and payable or being contested in good faith by appropriate procedures), restriction, claim, pledge, encumbrance, mortgage, deed of trust, option, or restriction on transfer; (b) with respect to any real property at the Denver Location, imperfection of title, easement or encroachment on real property (except in each case as would not be, individually or in the aggregate, material to Business and which would not prohibit or interfere with the current use of the real property at the Denver Location); and (c) preemptive right, right of first refusal, right of first offer or charge of any kind or nature, whether consensual, statutory or otherwise.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any Person, trade or business that, together with Seller, is (or, at any time, was) treated as a single employer under Section 414(b), (c), (m) or (o) of the Code or Section 4001(a)(14) or 4001(b)(1) of ERISA.

"Federal Cannabis Law" means any U.S. federal laws, civil, criminal or otherwise, to the extent that such law is directly or indirectly related to the cultivation, harvesting, production, manufacturing, processing, marketing, distribution, sale or possession of cannabis, marijuana or related substances or products containing cannabis, marijuana or related substances, including but not limited to the prohibition on drug trafficking under the Controlled Substances Act (21 U.S.C. § 801, et seq.), the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another's felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957 and 1960. All references herein to "Law", "law" "applicable Law" or "applicable law" shall not be interpreted to include any Federal Cannabis Law.

"Fundamental Representations" means the representations and warranties set forth in Section 3(a), Section 3(b), Section 3(c), Section 3(d), Section 3(e), Section 3(k), Section 3(r), and Section 3(y).

"Governmental Authority" means any nation, state or province or any municipal or other political subdivision thereof, and any agency, commission, department, board, bureau, official, minister, tribunal or court, whether national, state, provincial, local, foreign, multinational or otherwise, exercising executive, legislative, judicial, regulatory, taxing or administrative functions of a nation, state or province or any municipal or other political subdivision thereof, and any arbitrator or arbitral body.

"Indemnity Escrow Amount" has the meaning set forth in Section 2.2(b).

"Indebtedness" means, without duplication, any Liability under or for any of the following (excluding any trade payable incurred in the ordinary course of business), including any accrued interest, fees or other expenses regarding any of the foregoing, including any prepayment penalties or premiums, consent fees, break fees or similar payments or contractual charges: (a) indebtedness for borrowed money (including as a guarantor or if guaranteed or for which a Person is otherwise liable or responsible, including an obligation to assume indebtedness); (b) note, bond, debenture or similar instrument (including a letter of credit); (c) surety bond; (d) swap, hedging or similar Contract; (e) capital lease; (f) banker acceptance; (g) purchase money mortgage, indenture, deed of trust or other purchase money lien or conditional sale or other title retention Contract; (h) the deferred purchase price of property or services with respect to which such Person is liable (regardless of how structured), contingently or otherwise, as obligor or otherwise; or (i) Liability secured by any Encumbrance on any asset or property.

"IP" means, collectively: (a) all rights (anywhere in the world, whether statutory, common law or otherwise) in or affecting intellectual or industrial property or other proprietary rights, including with respect to the following: (i) patents and applications therefor, and patents issuing thereon, including continuations, divisionals, continuations-in-part, reissues, reexaminations, renewals and extensions; (ii) copyrights and registrations and applications therefor, works of authorship, "moral" rights and mask work rights; (iii) domain names, uniform resource locators and other names and locators associated with the internet, including applications and registrations thereof; (iv) telephone numbers; (v) trademarks, trade dress, trade names, logos and service marks, together with the goodwill symbolized by or associated with any of the foregoing and any applications, registrations and renewals therefore; (vi) all technology, ideas, research and development, inventions, manufacturing and operating specifications and processes, schematics, know-how, formulae, customer and supplier lists, shop rights, designs, drawings, patterns, trade secrets, confidential information, technical data, databases, data compilations and collections, web addresses and sites, software, computer architecture, and documentation; (vii) all other intangible assets, properties or rights; and (viii) the right to file applications and obtain registrations for any of the foregoing and claim priority thereto; (b) all claims, causes of action and rights to sue for past, present and future infringement or misappropriation of the foregoing, and all proceeds, rights of recovery and revenues arising from or pertaining to the foregoing; and (c) all copies and tangible embodiments of any of the foregoing (in whatever form or medium).

"Law" means any applicable provision of any constitution, treaty, statute, law (including the common and civil law), rule, regulation, ordinance, guidance, code or order enacted, adopted, issued or promulgated by any Governmental Authority, excluding any Federal Cannabis Laws.

"Legal Proceeding" means any claim (whether or not commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority) or other action, suit, arbitration, mediation, claim, audit, investigation, demand, hearing, petition, dispute, controversy, complaint, charge, inquiry, litigation, proceeding or administrative investigation.

"Liability" means any obligation or liability of any nature whatsoever, whether direct or indirect, matured or unmatured, known or unknown, absolute, accrued, contingent, due or to become due, or otherwise.

"Lightshade Aurora APA" means that certain Asset Purchase Agreement dated as of the date hereof by and among Seller, Buyer and the Equityholders, governing Buyer's acquisition of the Aurora Location (as defined therein) from Seller.

"Lookback Date" means October 6, 2021.

"Marijuana Inventory" means saleable marijuana products located at the Denver Location, including marijuana flower, trim, concentrate or infused product, which is not spoiled, unusable, expired or otherwise non-saleable.

"Materiality Qualifier" means any qualification for or references to "materially," "materiality," "material," "in all material respects" and words of similar import.

"MED" means the Colorado Marijuana Enforcement Division.

"Order" means any order, conciliation, settlement, stipulation, ruling, requirement, notice, directive, award, decree, judgment or other determination of any Governmental Authority.

"Ordinary Course of Business" means, with respect to Seller, the ordinary course of business of Seller consistent with its past regular custom and practice, including, as applicable, with respect to quantity and frequency.

"Owned IP" means all Seller IP other than IP licensed to Seller pursuant to a written license agreement.

"Permit" means any permit, registration, approval, license, certificate or authorization issued by any Governmental Authority or quasi-governmental or self-regulatory body, including each of the Purchased Licenses.

"Person" means any Governmental Authority, individual, partnership, limited liability company, association, corporation or other entity or organization.

"Personal Information" means any information that alone or in combination with other information can be used to specifically identify any natural Person, together with any other information that is combined with or linked to any of the foregoing information.

"Processed" or "Processing" means any operation performed on data or information, including the collection, creation, receipt, access, use, handling, compilation, processing, analysis, monitoring, maintenance, storage, purchase, sale, transmission (including cross-border), transfer, protection, disclosure, deletion, destruction, or disposal of data or information.

"Registered IP" means any Owned IP that is the subject of an application or registration with any Governmental Authority, including any domain name registration and any application or registration for any patent, copyright or trademark.

"Regulatory Approval" or "Regulatory Approvals" means any and all approvals from MED, the City and County of Denver, or any other Governmental Authority that are required under applicable Law for (a) the transfer by Seller to Buyer of any Permit or (b) the consummation of the transactions contemplated by this Agreement.

"Related Agreements" means the Bill of Sale, the Closing Certificates, any Estoppel Certificate and Lease Assignment and all other documents, agreements and instruments executed and delivered in connection with this Agreement.

"Release Date" means the later of (i) the date that is 12 months after the Closing Date (as defined in this Agreement) and (ii) the date that is 12 months after the Closing Date (as that term is defined in the Lightshade Aurora APA);

"Seller IP" means any and all IP used, held for use, owned or purported to be owned (in whole or in part) by Seller or licensed to Seller, in each case, in connection with the Business.

"Seller's Knowledge" means the actual knowledge of the Equityholders after reasonable inquiry and investigation (including due inquiry of Persons knowledgeable about the subject matter thereof).

"Seller Termination Fee" has the meaning set forth in Section 7.3.

"Seller Transaction Expenses" means all fees and expenses incurred by or on behalf of Seller, any Equityholder or any of their Affiliates at or prior to the Closing in connection with the preparation, negotiation and execution of this Agreement and the Related Agreements, including: (a) any brokerage fees and any other fees and disbursements of lawyers, accountants, investment bankers and other advisors and service providers, (b) any transaction, incentive or stay bonus or termination or change of control payment payable to any Person by Seller, Equityholders or their Affiliates as a result of the Closing, (c) the fees and expenses of the creation and maintenance of the electronic data room hosted by Dropbox.com, (d) any fees, expenses or other liabilities to the extent incurred by or at the direction of Seller, Equityholders or otherwise relating to Seller's or Equityholders' obtaining any consent or waiver for the transactions contemplated hereby or any other liabilities or obligations incurred or arranged by or on behalf of Seller or Equityholders or any of their respective Affiliates in connection with the consummation of the transactions contemplated hereby, and (e) any Transfer Taxes.

"Tax" means (a) all federal, state, and local, foreign income, gross receipts, sales, use, production, ad valorem, value-added, transfer, franchise, registration, profits, capital gains, business, license, lease, service, service use, withholding, payroll, social security, disability, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes of any kind whatsoever, including liabilities under escheat and unclaimed property Laws, (b) all other fees, assessments or charges in the nature of a tax, (c) any fine, penalty, interest or addition to tax with respect to any amounts of the type described in (a) and (b) above, and (d) any Liability for the payment of any amounts of the type described in clauses (a)-(c) above as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of a tax sharing, tax allocation or tax indemnification Contract, as a transferee or successor, by operation of Law or otherwise.

"Tax Return" means any return, declaration, report, filing, claim for refund or information return or statement relating to any Tax, including any schedule or attachment thereto and including any amendment thereof, that is filed or required to be filed with any Governmental Authority or provided or required to be provided to a payee.

EXHIBIT B

FORM OF BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

See attached.

BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

This Bill of Sale and Assignment and Assumption Agreement (this "Agreement") is made and entered into as of [ ], 2022 by and among (i) Lightshade Labs LLC, a Colorado limited liability company ("Seller") and Double Brow, LLC, a Colorado limited liability company ("Buyer"). Capitalized terms used and not defined herein will have the respective meanings assigned to such terms in that certain Asset Purchase Agreement, dated as of September 9, 2022 by and among Seller, Buyer and the equityholders of Seller parties thereto (the "Asset Purchase Agreement").

1. Pursuant to the Asset Purchase Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, effective as of the Closing, (a) Seller does hereby sell, assign, transfer, convey and deliver to Buyer, and its successors and assigns, all of Seller's right, title, and interest in and to the Purchased Assets, and (b) Buyer does hereby assume from Seller the Assumed Liabilities (if any).

2. Buyer hereby agrees to execute and deliver to Seller, and Seller hereby agrees to execute and deliver to Buyer, such further instruments of transfer, assignment and assumption, and take such other action as Seller or Buyer may reasonably request, to more effectively transfer to, assign to, and vest in Buyer each item of the Purchased Assets, and to evidence Buyer's assumption of the Assumed Liabilities (if any).

3. The representations, warranties, covenants and agreements of the parties hereto and the terms and conditions set forth in the Asset Purchase Agreement will survive the execution and delivery of this Agreement as provided in the Asset Purchase Agreement and will not be merged herein or integrated herewith.

4. All terms and conditions of, and all representations, warranties, covenants and agreements relating to, the transactions contemplated by the Asset Purchase Agreement are set forth in the Asset Purchase Agreement. To the extent that any provision of this Agreement is inconsistent or conflicts with the Asset Purchase Agreement, the provisions of the Asset Purchase Agreement will control. Nothing contained in this Agreement will be deemed to supersede, enlarge, limit or otherwise modify any of the rights, obligations, agreements, covenants, representations or warranties contained in the Asset Purchase Agreement.

5. The parties hereto may cause this Agreement to be amended at any time only by execution of an instrument in writing signed on behalf of each of the parties hereto. This Agreement will not be assigned to any other Person, except Buyer may assign this Agreement to any Affiliate of Buyer, any purchaser of all or substantially all of the Purchased Assets, or any financing source as a collateral assignment. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

6. This Agreement and all Legal Proceedings arising hereunder will be governed by and construed in accordance with the Laws of the State of Colorado without reference to such state's principles of conflicts of Law. Each of the parties hereto irrevocably consents to the exclusive jurisdiction of and venue in any state or federal court located in the State of Colorado (and of and in any court to which an appeal of the decisions of any such court may be taken), in connection with any matter based upon or arising out of this Agreement or the matters contemplated herein, agrees that process may be served upon them in any manner authorized by the Laws of the State of Colorado for such persons, and waives and covenants not to assert or plead any objection which it might otherwise have to such jurisdiction and such process; provided, however, that any party hereto will be entitled to seek injunctive or other equitable relief in connection with any matter based upon or arising out of this Agreement or the matters contemplated herein in any forum having proper legal jurisdiction over such matter.

7. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH PARTY HERETO WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE PARTIES HERETO ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED HEREUNDER. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

8. This Agreement may be executed and delivered by each party hereto in separate counterparts (including electronic portable document format (.PDF) or similar format), each of which when so executed and delivered will be deemed an original and all of which taken together will constitute one and the same agreement. This Agreement will become effective

when, and only when, each party hereto delivers a counterpart hereof to each other Party. This Agreement may be executed by .PDF signature, and a .PDF signature will constitute an original signature for all purposes.

[The remainder of this page is intentionally left blank.]

The undersigned have caused this Agreement to be duly executed and delivered as of the date first written above.

BUYER:

Double Brow, LLC

By: Schwazze Colorado, LLC
Its: Sole Member

By: Medicine Man Technologies, Inc.
Its: Sole Member

By: _____
Name: Dan Pabon
Title: General Counsel and Chief Government Affairs Officer

SELLER:

LIGHTSHADE LABS LLC

By: _____
Name:
Title:

SCHEDULE 1.1(a)
PURCHASED ASSETS

(i) [Intentionally Omitted.]

(ii) All inventory (including Marijuana Inventory, supplies, goods in transit, packaging materials and other consumables of the Business, including inventory in transit from or held by suppliers of the Business).

(iii) The Contracts set forth below, if any, which are related to the Business:

None.

(iv) All machinery, equipment, computers, printers, cameras, furniture, furnishings, fixtures, office supplies, vehicles and all other fixed assets and personal property leased by, owned by, or on order to be delivered to Seller, in each case, used or to be used, as applicable, in the Business.

(v) All deposits and prepaid expenses, including advances, credits and security and other deposits specifically related to the Business.

(vi) All warranties, representations, letters of credit and guarantees made by suppliers (including data providers), manufacturers and contractors of Seller specifically related to the Business.

(vii) Each Purchased License and, to the extent transferable or assignable, all other Permits issued to or otherwise held by Seller relating to the operation of the Business or any Purchased Asset.

(viii) Except to the extent pertaining exclusively to any Excluded Asset or Excluded Liability, all rights in respect of Legal Proceedings, recoveries, refunds (other than Tax refunds with respect to periods (or portions thereof) ending on or prior to the Closing Date), counterclaims, rights of set-off and other claims (including indemnification Contracts in favor of Seller), whether known or unknown, matured or unmatured, accrued or contingent, that Seller may have against any Person, including claims against any Person for compensation or benefits, insurance claims, claims of infringement or past infringement, in each case related specifically to the Business.

(ix) All books and records of Seller relating primarily to the Business, including all operating records, data and other materials maintained by the Business, including all sales and sales promotional data, advertising materials, customer lists and records, research and development reports, credit information, cost and pricing information, supplier lists and records, business plans, catalogs, price lists, correspondence, mailing lists, distribution lists, photographs, production data, service and warranty records, engineering records, personnel and payroll records relating to hired employees, manufacturing and quality control records and procedures, blueprints, accounting records, information relating to any Taxes (other than those that relate solely to Excluded Assets or Excluded Liabilities, plans, specifications, surveys, property records, manuals and other materials related to any of the foregoing items.

(x) All telephone numbers, facsimile numbers and email addresses, and all rights to receive mail and other communications addressed to Seller (except to the extent relating exclusively to any Excluded Asset or Excluded Liability), in each case related specifically to the Business.

(xi) Real Property Lease for the Denver Location.

SCHEDULE 1.1(b)
EXCLUDED ASSETS

(i) All records related to Seller's organization, maintenance, existence and good standing as a corporation, namely Seller's certificate of formation, operating agreement, qualifications to conduct business as a foreign entity, taxpayer and other identification numbers, minute books and Tax records (provided that Buyer will be entitled to copies of such Tax records that are related to the Business).

(ii) All rights in connection with and assets under all Employee Benefit Plans.

(iii) All insurance policies and prepayments related thereto (but excluding any rights to recovery under such insurance policies except to the extent pertaining exclusively to any Excluded Asset or Excluded Liability).

(iv) Any rights of Seller under this Agreement or any Related Agreement.

(v) Cash and cash equivalents, other than Target Cash.

(vi) All credit cards, debit cards and similar credit and banking instruments of Seller.

(vii) Any Tax refunds or overpayments of Taxes of Seller with respect to periods (or portions thereof) ending on or prior to the Closing Date.

(viii) Cell phones and cell phone numbers.

(ix) All right, title and interest in and to the use of "Lightshade" and all other trademarks or similar or related names or phrases (and all goodwill relating to the foregoing) and all domain names used in the Business ("Excluded Seller IP").

(x) All other assets and businesses of Seller except for the Business and the Purchased Assets.

(xi) All Contracts other than the Assigned Contracts (if any).

(xii) Dunbar cash safes at the Denver Location.

SCHEDULE 1.2(a)
ASSUMED LIABILITIES

None.

SCHEDULE 1.2(b)
EXCLUDED LIABILITIES

(i) Any Liability of Seller (including any Indebtedness of Seller).

(ii) Any Liability of any Person, directly or indirectly related to, accruing or arising out of, caused by or resulting from the operation or conduct of the Business or the ownership of the Purchased Assets prior to the Closing, whether or not recorded on the books and records of any Person (including any accounts payable to third parties that remain outstanding as of the Closing).

(iii) Any Liability arising under or in any way related to the Employee Benefit Plans.

(iv) Any Liability that would become a Liability of Buyer as a matter of Law in connection with this Agreement, agreement executed or delivered in connection herewith, or the transactions contemplated hereby or thereby.

(v) Any Liability in respect of Taxes of Seller (or any successor or Affiliate), or any Liability in respect of any Taxes arising from or relating to the Business or the Purchased Assets or ownership or operation thereof for or accruing or arising at any time in respect of any period (or portion thereof) ending on or prior to the Closing.

(vi) Any Liability directly or indirectly related to, accruing or arising out of, caused by or resulting from the operation or ownership of the Excluded Assets.

(vii) Any Liability relating to the Transferred Employees or any other employees of the Business prior to the Closing, and any accrued but unused vacation of any such employees.

(viii) Any Excluded Employees.

SCHEDULE 2.3(c)
ALLOCATION OF PURCHASE PRICE

The applicable portions of the Purchase Price (and any other items that are treated as consideration paid by Buyer for applicable Tax purposes) will be allocated pursuant to Section 1060 of the Code and the Treasury Regulations promulgated thereunder (and any similar provisions of state, local, or non-U.S. Law, as appropriate) to the Purchased Assets as follows:

Asset Class	Allocation of Purchase Price
Class I *Cash and General Deposit Accounts*	Actual cash value, provided, however, that the amount assigned to any cash asset will be in accordance and consistent with the amount assigned to such cash asset for purposes of the Agreement and as reflected on the Closing Statement.
Class II *Marketable Securities*	Fair market value as of the Closing.
Class III *Accounts Receivable*	Net book value for financial accounting purposes as of the Closing.
Class IV *Inventory*	Retail value for financial accounting purposes as of the Closing, provided, however, that the amount assigned to any Marijuana Inventory will be in accordance and consistent with the amount assigned to such Marijuana Inventory for purposes of the Agreement and as reflected on the Closing Statement.
Class V *Property, Equipment, and other Tangible Assets*	Net book value for financial accounting purposes as of the Closing.
Class VI *Code Section 197 Intangibles*	Net book value for financial accounting purposes as of the Closing, provided, however, that any amount allocated to any restrictive covenant will have a nominal value.
Class VII *Goodwill and Going Concern Value*	Any remainder of consideration and any other amounts properly treated as consideration for U.S. federal income tax purposes, provided, the value of license shall be held in Class VII until a valuation is conducted by a third party, at which point such specified license value will be held in Class VI.

Medicine Man Technologies, Inc.
2017 Equity Incentive Plan

STOCK AWARD AGREEMENT

This Stock Award Agreement (this "**Agreement**") is made and entered into as of September 23, 2022, by and between Medicine Man Technologies, Inc., d/b/a Schwazze, a Nevada corporation (the "**Company**"), and Jonathan Berger, who is a member of the Board of Directors of the Company (the "**Participant**") under and in accordance with the Medicine Man Technologies, Inc. 2017 Equity Incentive Plan, as amended (the "**Plan**").

1. Award of Shares.

1.1 Grant. The Company hereby grants to the Participant this Stock Award, for service as a Lead Independent Director of the Board of Directors of the Company (the "**Board**") previously rendered and to be rendered during the year in which this Agreement is executed. Pursuant to this Stock Award, the Participant is entitled to receive the number of shares of Common Stock of the Company equal to the "**Determined Amount**." For purposes of this Agreement and the Plan, the "**Determined Amount**" means the number of shares of Common Stock (rounded up to the nearest whole share) equal to $100,000 divided by the closing price of the Common Stock on September 22, 2022 for service as Lead Independent Director of the Board. For clarity, this Agreement hereby makes an award of 102,355 shares of Common Stock (that is, $100,000 divided by $0.977), to the Participant (the "**Awarded Shares**").

1.2 Consideration. The Stock Award being made pursuant to this Agreement and under the Plan is intended to (a) attract and retain highly qualified individuals to serve as directors of the Company and chair Board committees, (b) increase non-employee directors' stock ownership in the Company and (c) align non-employee directors' financial interests more closely with those of the stockholders of the Company.

1.3 Plan Document Governs. The Awarded Shares and this Agreement are subject to all of the applicable terms and conditions of the Plan as approved by the Company's stockholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. Capitalized words and phrases used but not defined herein will have the meaning ascribed to them in the Plan.

1.4 Additional Agreements. Participant agrees upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of the Award.

2. Payment for the Awarded Shares. The Participant shall not be required to make any payment for the Awarded Shares granted under this Agreement.

3. Vesting. Subject to the transfer restrictions under this Agreement, the Plan and the Company's governing documents, the Participant shall have full beneficial ownership of, and rights and privileges of a shareholder as to Awarded Shares, including the right to vote and the right to receive dividends.

4. Issuance of Shares.

4.1 Timing of Issuance. As soon as administratively practicable after this Agreement is fully executed, the Company shall issue the shares of Common Stock representing the Awarded Shares registered in the name of the Participant, the Participant's authorized assignee, or the Participant's legal representative, which issuance shall be evidenced by stock certificates representing the shares with the appropriate legends affixed thereto, appropriate entry on the books of the Company or of a duly authorized transfer agent, or other appropriate means as determined by the Company.

4.2 Issuance Subject to Government and Other Regulations. The obligation of the Company to deliver the shares of Common Stock awarded under this Agreement and the Plan shall be subject to all applicable laws, rules and regulations and such approvals by any governmental agencies or regulatory authorities as may be required or be deemed necessary or appropriate by counsel for the Company.

5. Stockholder Rights. The Participant shall not have any rights as a stockholder of the Company with respect to the Awarded Shares of Common Stock unless and until certificates representing the shares have been issued by the Company to the Participant as the holder of such shares, or the shares have otherwise been recorded on the books of the Company or of a duly authorized transfer agent as owned by such holder.

6. Limitations on Transfer.

6.1 Transferability. The Participant will not sell, assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Awarded Shares except in compliance with this Agreement, the Company's bylaws, any stockholders' agreement that the Participant may be required to execute, applicable securities laws or Company or underwriter trading policies. For clarity, no sale, transfer or other disposition of the Awarded Shares or any interest in the Awarded Shares may occur unless the Company has first determined that such sale, transfer or other disposition is permitted by applicable securities laws (even if otherwise allowed by this Agreement and the Company's corporate governance documents).

6.2 Restrictive Legends. Certificates for the Awarded Shares may include any legend which the Company deems appropriate to reflect any or all of the applicable restrictions on transfers.

6.3 Stop-Transfer Orders. The Participant agrees that, in order to ensure compliance with the restrictions referred to herein and the Plan, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records. In addition, the Company shall not be required (i) to transfer on its books any Awarded Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or the Plan or other governing document or (ii) to treat as the owner or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Awarded Shares shall have been so transferred.

7. Adjustments. If the outstanding Common Stock shall at any time be changed or exchanged by exchanges of shares, recapitalization, merger, consolidation or other corporate reorganization in which the Company is the surviving corporation, the number of Awarded Shares may be adjusted or terminated in any manner as contemplated by Section 11 of the Plan.

8. Withholding; Tax Liability.

8.1 Withholding. If the Company, in its discretion, determines that it is obligated to withhold any tax in connection with the grant of the Awarded Shares to the Participant, the Participant must

make arrangements satisfactory to the Company to pay or provide for any applicable federal, state and local withholding obligations of the Company. The Participant may satisfy any federal, state or local tax withholding obligation relating to the Awarded Shares by any of the following means or by a combination of such means: (a) tendering a cash payment; (b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable to the Participant as a result of the award made pursuant to this Agreement; *provided, however*, that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law; or (c) delivering to the Company previously owned and unencumbered shares of Common Stock. The Company has the right to withhold taxes from any compensation paid to a Participant.

8.2 Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, payroll tax, or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting, or any other action related to the Awarded Shares or the subsequent sale of any of the Award Shares and (b) does not commit to structure the award made under this Agreement and pursuant to the Plan to reduce or eliminate the Participant's liability for Tax-Related Items.

8.3 The Participant understands and agrees that (a) the Company will only recognize the Participant as a record holder of the Awarded Shares if the Participant has paid or made, prior to any relevant taxable or tax withholding event, as applicable, adequate arrangements satisfactory to the Company to satisfy any withholding obligation the Company may have for Tax-Related Items and (b) the Company has no obligation to deliver the Awarded Shares to or on behalf of the Participant until the Participant has satisfied the obligations in connection with the Tax-Related Items.

9. Leak Out. All shares of Common Stock issued pursuant to this Agreement may be liquidated at a daily rate of no more than 5% of the preceding 5 day average volume of the Company's Common Stock on any given trading day.

10. Award Subject to Company Clawback or Recoupment. To the extent permitted by applicable law, the Awarded Shares shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of your employment or other service that is applicable to the Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of this Stock Bonus Award and the recoupment of any gains realized with respect to the Stock Bonus Award described in this Agreement.

11. Compliance with Law. The issuance and transfer of shares of Common Stock pursuant to this Agreement shall be subject to compliance by the Company and the Participant with all applicable requirements of federal and state securities laws, regulatory agencies and any stock exchange or other trading market on which the Company's shares of Common Stock may be listed or quoted. No shares of Common Stock shall be issued pursuant to this Agreement unless and until any then applicable requirements of state or federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Participant understands that the Company is under no obligation to register the shares of Common Stock with the U.S. Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

12. Notices. Any notice required to be delivered to the Company under this Agreement shall be in writing and addressed to the General Counsel of the Company at the Company's principal corporate offices. Any notice required to be delivered to the Participant under this Agreement shall be in writing and addressed to the Participant at the Participant's address as shown in the records of the Company. Either

party hereto may designate another address in writing (or by such other method approved by the Company) from time to time.

13. Governing Law. This Agreement will be governed by, construed and enforced in accordance with the internal laws of the State of Nevada without regard to conflict of law principles.

14. Venue and Jurisdiction. Notwithstanding Section 13 of this Agreement and Section 12(E) ("Choice of Law") of the Plan, except as the laws of the United States may otherwise require, any and all disputes relating to or arising under this Agreement to enforce this Agreement shall be brought by civil action and resolved only in the United States District Court for the District of Colorado (the "**Court**"), which shall have and retain continuing and exclusive jurisdiction over this Agreement. The Participant, by virtue of his or her participation in the Plan, irrevocably consents to the jurisdiction and venue in the Court, and that any and all disputes shall be adjudicated solely by the Court, and further irrevocably waive any objection or defense based on lack of venue, personal jurisdiction, *forum non conveniens*, transfer, priority doctrines, and any defense(s) of similar type or import.

15. Interpretation. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, representations and understandings. Any dispute regarding the interpretation of this Agreement shall be submitted by the Participant or the Company to the full Board for review. The resolution of such dispute by the Board shall be final and binding on the Participant and the Company.

16. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the person(s) to whom this Agreement may be transferred by will or the laws of descent or distribution.

17. Discretionary Nature of Plan. The Plan is discretionary and may be amended, cancelled or terminated by the Company at any time, in its discretion. The grant of the Stock Award in this Agreement does not create any contractual right or other right to receive any shares of Common Stock or other Awards in the future. Future Awards, if any, will be at the sole discretion of the Company. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's service with the Company.

18. Amendment. The Board has the right to amend, alter, suspend, discontinue or cancel this Award made pursuant to this Agreement, prospectively or retroactively; *provided, that*, no such amendment shall adversely affect the Participant's material rights under this Agreement without the Participant's consent.

19. Acknowledgement and Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan together with this Agreement, and any applicable Plan prospectus. The Participant represents that he or she has read and understands the terms and provisions thereof, and accepts this Award subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon receipt of the shares of Common Stock issued pursuant to this Agreement or disposition of the shares of Common Stock and that the Participant should consult the Participant's personal tax advisor prior to such receipt or disposition. In accepting this Award and executing this Agreement, the Participant agrees to accept as binding, conclusive and final all decisions or interpretations of the Company upon any questions relating to the Plan and this Agreement.

20. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

21. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which, when taken together, will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

[*Remainder of Page Intentionally Left Blank;*
Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written notwithstanding the actual date of signing.

COMPANY:

Medicine Man Technologies, Inc., d/b/a/ Schwazze,
a Nevada corporation

By: /s/ Daniel R. Pabon
Name: Daniel R. Pabon
Title: General Counsel

PARTICIPANT:

/s/ Jonathan Berger
Printed Name: Jonathan Berger

[Signature Page to Director Stock Award (September 2022)]

Medicine Man Technologies, Inc. 2017 Equity Incentive Plan, as amended

[*Attached*]

Amended and Restated Prospectus

[*Attached*]

Exhibit 10.3

EXECUTION VERSION

PREFERRED STOCK PURCHASE AGREEMENT

MISSION HOLDINGS US, INC.

May 20, 2022

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(continued)

PREFERRED STOCK PURCHASE AGREEMENT

THIS PREFERRED STOCK PURCHASE AGREEMENT (this "Agreement"), is dated as of May 20, 2022 by and among Mission Holdings US, Inc., a Colorado corporation (the "Company"), and the investors listed on Exhibit A attached to this Agreement (each a "Purchaser" and together the "Purchasers").

The parties hereby agree as follows:

1. Purchase and Sale of Convertible Preferred Stock

1.1 Sale and Issuance of Convertible Preferred Stock

(a) Subject to the terms and conditions of this Agreement, each Purchaser agrees to purchase, and the Company agrees to sell and issue to each Purchaser, that aggregate number of shares of Convertible Preferred Stock, $0.0001 par value per share (the "Convertible Preferred Stock"), set forth opposite each Purchaser's name on Exhibit A, at a purchase price of $1.82 per share. The shares of Convertible Preferred Stock issued to the Purchasers pursuant to this Agreement shall be referred to in this Agreement as the "Shares."

(b) The Company shall adopt and file with the Secretary of State of the State of Colorado on or before the Closing (as defined below) the Amendment to the Articles of Incorporation of the Company in the form of Exhibit B attached to this Agreement, setting forth the designation, preferences, limitations and relative rights of the Convertible Preferred Stock (the "Preferred Stock Designation").

1.2 Closing; Delivery; Purchase Price Payments

(a) The purchase and sale of the Shares as contemplated under this Section 1.2 shall take place remotely via the exchange of documents and signatures on the date hereof or such other date as the Company and the Purchasers mutually agreed upon, orally or in writing (which time and place are designated as the "Closing").

(b) The Company shall issue the Shares being purchased by each Purchaser against payment of the purchase price therefor by such Purchaser to the Company by wire transfer of immediately available funds to an account designated in writing by the Company at the Closing and at the other times as set forth in Section 1.2(d).

(c) Within thirty (30) days following the Closing with respect to the Shares being issued at the Closing, and within thirty (30) days following each other date on which Shares are issued by the Company pursuant to the terms of Section 1.2(d), the Company shall deliver to each Purchaser a certificate representing the Shares purchased by such Purchaser, which certificates shall bear any legends required by any of the Transaction Agreements.

(d) The Purchase Price shall be delivered by the Purchasers to the Company, and the Shares being purchased by the Purchasers shall be issued by the Company to the Purchasers, as follows:

(i) At the Closing, the following shall occur:

(A) Schwazze shall deposit one hundred percent (100%) of the Purchase Price attributed to the Shares being purchased by it pursuant to Section 1.1(a) (which amount is $2,000,000) (the "Schwazze Escrow Funds") by wire transfer of immediately available funds with

Secured Trust Escrow, a California corporation (the "Escrow Agent"), and no Shares shall be issued by the Company to Schwazze in exchange for the Schwazze Escrow Funds at such time;

(B) Techas shall deposit sixty percent (60%) of the Purchase Price attributed to the Shares being purchased by it pursuant to Section 1.1(a) (which amount is $3,000,000) (the "Initial Techas Escrow Funds") by wire transfer of immediately available funds with the Escrow Agent, and no Shares shall be issued by the Company to Techas in exchange for the Techas Escrow Funds at such time;

(C) the Founders and Others Group shall deposit one hundred percent (100%) of the Purchase Price attributed to the Shares being purchased by the Founders and Others Group pursuant to Section 1.1(a) (which amount is $454,000) (the "Founders and Others Group Escrow Funds", and together with the Major Purchasers' Escrow Funds, the "Escrow Funds") by wire transfer of immediately available funds with the Escrow Agent, with each Purchaser of the Founders and Others Group depositing a pro-rata portion of such funds with the Escrow Agent based on the ratio of total Shares that such Purchaser is purchasing pursuant to Section 1.1(a) bears to the total Shares being purchased by the Founders and Others Group pursuant to Section 1.1(a) (the "Founders and Others Group Ratio"), and no Shares shall be issued by the Company to the Founders and Others Group in exchange for the Founders and Others Group Escrow Funds at such time and

(D) the Major Purchasers' Escrow Funds shall be deposited and held by the Escrow Agent in a non-interest bearing account pursuant to that certain Escrow Agreement dated as of the date hereof by and among the Escrow Agent, Schwazze, Techas and the Company (the "Major Purchasers' Escrow Agreement") and applied by the Escrow Agent in accordance with the terms of this Section 1.2(d); and

(E) the Founders and Others Group Escrow Funds shall be deposited and held by the Escrow Agent in a non-interest bearing account pursuant to that certain Escrow Agreement dated as of the date hereof by and among the Escrow Agent, the Founders and Others Group and the Company (the "Founders and Others Group Escrow Agreement", and together with the Major Purchasers' Escrow Agreement, the "Escrow Agreements") and applied by the Escrow Agent in accordance with the terms of this Section 1.2(d).

(ii) From time to time after the Closing, Techas shall make one or more deposits by wire transfer of immediately available funds with the Escrow Agent of an additional amount, in the aggregate, equal to forty percent (40%) of the Purchase Price attributed to the Shares being purchased by it pursuant to Section 1.1(a) (which amount is $2,000,000) (the "Remaining Techas Escrow Funds"), provided that the entire amount of the Remaining Techas Escrow Funds shall be deposited within sixty (60) days of the Closing. If at least $7,454,000 of the Escrow Funds is not deposited with the Escrow Agent pursuant to this Section 1.2(d)(i) and Section 1.2(d)(ii) within sixty (60) days of the Closing, then the Escrow Funds actually deposited with the Escrow Agent at such time shall be returned by the Escrow Agent to the Purchasers, with each Purchaser receiving the amount of Escrow Funds originally deposited by such Purchaser, respectively, with the Escrow Agent.

(iii) Once the aggregate amount of the Escrow Funds actually deposited with the Escrow Agent in accordance with Section 1.2(d)(i) and Section 1.2(d)(ii) is equal to at least $7,454,000, then the following shall occur (collectively, the "Initial Escrow Funds Release"):

(A) the Escrow Agent shall release a portion of the Major Purchasers' Escrow Funds to the Company in an amount equal to forty five percent (45%) of the Purchase Price attributed to the Shares being purchased by Schwazze pursuant to Section 1.1(a) (which amount is

$900,000), and upon the Company's receipt of such funds, 494,505 Shares shall be issued by the Company to Schwazze;

(B) the Escrow Agent shall release a portion of the Major Purchasers' Escrow Funds to the Company in an amount equal to forty five percent (45%) of the Purchase Price attributed to the Shares being purchased by Techas pursuant to Section 1.1(a) (which amount is $2,250,000), and upon the Company's receipt of such funds, 1,236,263 Shares shall be issued by the Company to Techas; and

(C) the Escrow Agent shall release a portion of the Founders and Others Group Escrow Funds to the Company in an amount equal to forty five percent (45%) of the aggregate Purchase Price attributed to the Shares being purchased by the Founders and Others Group pursuant to Section 1.1(a) (which aggregate amount is $204,300), and upon the Company's receipt of such funds, an aggregate of 112,252 Shares will be issued by the Company to the Founders and Others Group, with each such Purchaser receiving his, her or its pro-rata portion of such Shares based on the Founders and Others Group Ratio.

(iv) Upon the Company's receipt of all final approvals from the MED (defined below) and any relevant local licensing authorities in Colorado of the applications submitted by the Company and NFuzed (defined below) to change the ownership of the NFuzed Colorado Marijuana Licenses (defined below) from NFuzed to the Company as contemplated and required under the NFuzed Colorado Contribution Agreement (defined below), the following shall occur:

(A) $3,150,000 of the Major Purchasers' Escrow Funds (constituting approximately eighty one and 82/100 percent (81.82%) of such funds) shall be released by the Escrow Agent to the Company pursuant to the Major Purchasers' Escrow Agreement by wire transfer of immediately available funds to an account designated in writing by the Company;

(B) upon the Company's receipt of such Major Purchasers' Escrow Funds, 494,505 Shares shall be issued by the Company to Schwazze and 1,236,263 Shares shall be issued by the Company to Techas;

(C) $204,300 of the Founders and Others Group Escrow Funds (constituting approximately eighty one and 82/100 percent (81.82%) of such funds) shall be released by the Escrow Agent to the Company pursuant to the Founders and Others Group Escrow Agreement by wire transfer of immediately available funds to an account designated in writing by the Company; and

(D) upon the Company's receipt of such Founders and Others Group Escrow Funds, an aggregate of 112,252 Shares shall be issued by the Company to the Founders and Others Group, with each such Purchaser of the Founders and Others Group receiving his, her or its pro-rata portion of such Shares based on the Founders and Others Group Ratio.

(v) Upon the Company's receipt of all final approvals from the California Department of Cannabis Control and any relevant local licensing authorities in California of the applications submitted by the Company and NFuzed in California to change the ownership of any NFuzed California Marijuana Licenses (defined below) from NFuzed to the Company as contemplated and required under the NFuzed California Contribution Agreement (defined below), the following shall occur:

(A) $700,000 of the Major Purchasers' Escrow Funds (constituting approximately eighteen and 18/100 percent (18.18%) of such funds) shall be released by the

Escrow Agent to the Company pursuant to the Major Purchasers' Escrow Agreement by wire transfer of immediately available funds to an account designated in writing by the Company;

(B) upon the Company's receipt of such Major Purchasers' Escrow Funds, 109,891 Shares shall be issued by the Company to Schwazze and 274,726 Shares shall be issued by the Company to Techas;

(C) $45,400 of the Founders and Others Group Escrow Funds (constituting approximately eighteen and 18/100 percent (18.18%) of such funds) shall be released by the Escrow Agent to the Company pursuant to the Founders and Others Group Escrow Agreement by wire transfer of immediately available funds to an account designated in writing by the Company; and

(D) upon the Company's receipt of such Founders and Others Group Escrow Funds, an aggregate of 24,945 Shares shall be issued by the Company to the Founders and Others Group, with each such Purchaser of the Founders and Others Group receiving his, her or its pro-rata portion of such Shares based on the Founders and Others Group Ratio.

1.3 Use of Proceeds. The Company will use the proceeds from the sale of the Shares as follows: (a) the cash from the Initial Escrow Funds Release shall be used for working capital and general corporate purposes; and (b) the other proceeds received by the Company under Sections 1.2(d)(iv) – (v) shall be used for making $5,200,000 in aggregate cash payments required to be made by the Company under the NFuzed Colorado Contribution Agreement, the NFuzed California Contribution Agreement and the Level 10 Contribution Agreement and for working capital, investment and general corporate purposes, including without limitation, the Company's contemplated investment in Bioforma LLC (the "Bioforma Investment").

1.4 Company's Business; Certain Associated Risks.

(a) The business of the Company is to grow, manufacture, sell and distribute marijuana and marijuana products.

(b) EACH PURCHASER ACKNOWLEDGES AND UNDERSTANDS THAT (I) THE COMPANY'S BUSINESS MUST BE OPERATED AND CONDUCTED IN ACCORDANCE WITH, AND COMPLY IN ALL RESPECTS WITH, THE APPLICABLE STATE AND LOCAL LAWS, RULES AND REGULATIONS IN WHICH IT OPERATES, (II) ALTHOUGH THE GROWTH, POSSESSION, MANUFACTURE, DISTRIBUTION, USE AND SALE OF MARIJUANA IS LEGAL IN CERTAIN INSTANCES IN CERTAIN STATES WITHIN THE UNITED STATES, INCLUDING WITHOUT LIMITATION, THE STATES OF COLORADO AND CALIFORNIA, THE GROWTH, POSSESSION, MANUFACTURE, DISTRIBUTION, USE AND SALE OF MARIJUANA, IN VIRTUALLY ANY AMOUNT AND FORM, REMAINS ILLEGAL AND A VIOLATION OF FEDERAL LAW AND THE APPROACH TO ENFORCEMENT OF FEDERAL LAW AGAINST THE GROWTH, POSSESSION, MANUFACTURE, DISTRIBUTION, USE AND SALE OF MARIJUANA IS SUBJECT TO CHANGE AND NOT WITHIN THE CONTROL OF THE COMPANY, AND SUCH ENFORCEMENT COULD MATERIALLY ADVERSELY AFFECT THE COMPANY AND ITS BUSINESS, (III) BECAUSE THE COMPANY ENGAGES IN MARIJUANA-RELATED ACTIVITIES IN THE UNITES STATES, IT ASSUMES AND IS SUBJECT TO CERTAIN RISKS DUE TO CONFLICTING STATE AND FEDERAL LAWS, (IV) THE FEDERAL LAW RELATED TO MARIJUANA COULD BE ENFORCED AT ANY TIME AND THIS WOULD PUT THE COMPANY AT RISK OF, AMONG OTHER THINGS, BEING PROSECUTED UNDER FEDERAL LAW AND HAVING ITS ASSETS SEIZED, WHICH WOULD HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY AND ITS BUSINESS, AND (V) FOR THESE REASONS (AMONG OTHERS), THE

COMPANY'S INVESTMENTS IN THE UNITED STATES MARIJUANA MARKET MAY SUBJECT THE COMPANY TO HEIGHTENED SCRUTINY BY STATE AND FEDERAL REGULATORS AND OTHER GOVERNMENTAL AUTHORITIES, AND THERE IS NO ASSURANCE THAT THIS HEIGHTENED SCRUTINY WILL NOT RESULT IN THE IMPOSITION OF CERTAIN RESTRICTIONS ON THE COMPANY'S ABILITY TO OPERATE IN THE UNITED STATES, WHICH WOULD HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY AND ITS BUSINESS.

1.5 Defined Terms Used in this Agreement. In addition to the terms defined above, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

(a) "Action" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, or investigation of any nature, civil, criminal, administrative, regulatory, or otherwise, whether at law or in equity.

(b) "Affiliate" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

(c) Brand Partnership Agreement" means that certain Brand Partnership Agreement dated on or about the date hereof by and between the Company and Schwazze.

(d) "Brand Partnership Earn-in" means the right provided under the Brand Partnership Agreement for Schwazze to acquire certain shares of the Company's Common Stock based on the achievement of certain sales levels of the Company's products in Schwazze's markets.

(e) "Brand Partnership Option" means the option granted to Schwazze under the Brand Partnership Agreement, pursuant to which Schwazze has the option, for an eighteen (18) month term, to acquire 581,429 shares of the Company's Common Stock at an aggregate exercise price of $1,000,000.

(f) "Bridge Financing" means the $546,000 financing that was completed by the Company on March 9, 2022 and will convert into 299,996 shares of Common Stock at Closing. This financing also included the issuance of the Warrants.

(g) "Code" means the Internal Revenue Code of 1986, as amended.

(h) "Company Covered Person" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any Person listed in the first paragraph of Rule 506(d)(1).

(i) "Disclosure Schedules" means the Disclosure Schedules delivered by the Company and Purchasers concurrently with the execution and delivery of this Agreement.

(j) "Escrow Agent" has the meaning set forth in Section 1.2(d)(i)(A).

(k) "Escrow Agreements" has the meaning set forth in Section 1.2(d)(i)(E).

(l) "Escrow Funds" has the meaning set forth in Section 1.2(d)(i)(C).

(m) "Founders and Others Group" means, collectively, Manchester Partners, L.L.C., a Missouri limited liability company, Bart Holtzman, Zach Friedman, Tony Talamo and Mission Investments, LLC, a Missouri limited liability company.

(n) "Founders and Others Group Escrow Agreement" has the meaning set forth in Section 1.2(d)(i)(E).

(o) "Founders and Others Group Escrow Funds" has the meaning set forth in Section 1.2(d)(i)(C).

(p) "Founders and Others Group Ratio" has the meaning set forth in Section 1.2(d)(i)(C).

(q) "Governmental Authority" means any federal, state, local, or foreign government, or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations, or orders of such organization or authority have the force of Law), or any arbitrator, court, or tribunal of competent jurisdiction.

(r) "Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination, or award entered by or with any Governmental Authority.

(s) "Indemnification Agreement" means an agreement between the Company and a member of the Board of Directors of the Company in the form of Exhibit C attached to this Agreement.

(t) "Initial Escrow Funds Release" has the meaning set forth in Section 1.2(d)(iii).

(u) "Initial Techas Escrow Funds" has the meaning set forth in Section 1.2(d)(i)(B).

(v) "Intellectual Property" means patents and patent applications; trademarks, service marks, trade names, brand names, logos and corporate names and registrations thereof and applications therefor; copyrights and registrations thereof and moral rights thereto; trade secrets and know-how; shop rights; domain names; any other intellectual property rights anywhere in the world; the rights and power to assert, defend and recover title to any of the foregoing; and all rights to sue for and recover damages for past, present and future infringement, misuse, misappropriation or other violation of any of the foregoing.

(w) "Investors' Rights Agreement" means the Investors' Rights Agreement by and among the Company, the Purchasers and certain other stockholders of the Company dated as of the date of the Closing, as such agreement may be amended, restated or modified from time to time.

(x) "Joinder Agreement" means the Joinder Agreement in form of Exhibit G attached hereto.

(y) "Knowledge" including the phrase "to the Company's Knowledge" shall mean the actual knowledge, after reasonable inquiry, of Doug Burkhalter, Hadley Ford and Joshua LeDuff.

(z) "Law" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any Governmental Authority.

(aa) "Level 10" means Level 10 LLC, a Colorado limited liability company.

(bb) "Level 10 Contribution Agreement" means the Contribution and Exchange Agreement dated on or before the date hereof by and among the Company, Level 10 and Paul Larson, in the form of Exhibit D attached to this Agreement.

(cc) "Level 10 Marijuana Licenses" means the Marijuana Licenses as defined and contemplated under the Level 10 Contribution Agreement, including without limitation, Level 10's Retail Marijuana Cultivation License for its business operations in Aurora, Colorado.

(dd) "Major Purchasers' Escrow Agreement" has the meaning set forth in

Section 1.2(d)(i)(D).

(ee) "Major Purchasers' Escrow Funds" means, collectively, the Schwazze Escrow Funds, the Initial Techas Escrow Funds and the Remaining Techas Escrow Funds.

(ff) "Marital Relationship" means a civil union, domestic partnership, marriage, or any other similar relationship that is legally recognized in any jurisdiction.

(gg) "Material Adverse Effect" means a material adverse effect on the business, assets (including intangible assets), liabilities, financial condition, property, prospects or results of operations of the Company.

(hh) "MED" means the Marijuana Enforcement Division of the Colorado Department of Revenue.

(ii) "NFuzed" means Crosstown Holdings, LLC (d/b/a as NFuzed), a Colorado limited liability company.

(jj) "NFuzed California Contribution Agreement" means, collectively, with respect to NFuzed's business in Grover Beach, California, (a) the Asset Purchase Agreement dated on or before the date hereof by and among the Company, NFuzed and Gregory Goldston and Mark Hartwig, in the form of Exhibit E-1 attached to this Agreement, and (b) the Membership Interest Purchase and Sale Agreement dated on or about the date hereof by and among the Company, 90Nine Bridge CO Holdings, LLC, a California limited liability company, Greg Goldson, Mark Hartwig, D. Douglas Burkhalter and Hadley C. Ford, in the form of Exhibit E-2 attached to this Agreement.

(kk) "NFuzed California Marijuana Licenses" means the Marijuana Licenses as defined and contemplated under the NFuzed California Contribution Agreement, including without limitation, NFuzed's manufacturing and distribution Licenses for its business operations in Grover Beach, California.

(ll) "NFuzed Colorado Contribution Agreement" means the Contribution and Exchange Agreement dated on or before the date hereof by and among the Company, NFuzed and Gregory Goldston and Mark Hartwig with respect to NFuzed's business in Boulder, Colorado, in the form of Exhibit F attached to this Agreement.

(mm) "NFuzed Colorado Marijuana Licenses" means the Marijuana Licenses as defined and contemplated under the NFuzed Colorado Contribution Agreement, including without limitation, NFuzed's Marijuana Infused Products License for its business operations in Boulder, Colorado.

(nn) "Person" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(oo) "Preferred Stock Designation" has the meaning set forth in Section 1.1(b).

(PP) "Purchaser" means each of the Purchasers who is a party to this Agreement.

(qq) "Remaining Techas Escrow Funds" has the meaning set forth in Section 1.2(d)(ii).

(rr) "Right of First Refusal and Co-Sale Agreement" means the Right of First Refusal and Co-Sale Agreement by and among the Company, the Purchasers, and certain other stockholders of the Company, dated as of the date of the Closing, as such agreement may be amended, restated or modified from time to time.

(ss) "Schwazze" means Medicine Man Technologies, Inc. (d/b/a Schwazze), a

Purchaser hereunder.

(tt) "Schwazze Escrow Funds" has the meaning set forth in Section

1.2(d)(i)(A).

(uu) "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(vv) "Shares" means the shares of Convertible Preferred Stock issued at the Closing.

(ww) "Spousal Consent" means the Spousal Consent in the form of Exhibit H hereto.

(xx) "Spouse" means a spouse, a party to a civil union, a domestic partner, a same-sex spouse or partner, or any individual in a Marital Relationship with a Purchaser.

(yy) "Stockholders' Agreement" means the Stockholders Agreement by and among the Company and certain other stockholders of the Company, dated as of the date of the Closing, as such agreement may be amended, restated or modified from time to time.

(zz) "Techas" means Techas Capital, LLC, a Purchaser hereunder.

(aaa) "Transaction Agreements" means, collectively, this Agreement, the Investors' Rights Agreement, the Right of First Refusal and Co-Sale Agreement, the Voting Agreement, the Preferred Stock Designation, the Indemnification Agreements, Joinder Agreement, the Stockholders' Agreement and the Escrow Agreements.

(bbb) "Voting Agreement" means the Voting Agreement by and among the Company, the Purchasers, and certain other stockholders of the Company, dated as of the date of the Closing, as such agreement may be amended, restated or modified from time to time.

(ccc) "Warrants" means the warrants issued by the Company to purchase an aggregate of 299,996 shares of Common Stock in connection with the Bridge Financing for a term of three (3) years at a purchase price per share of $2.00.

2. Representations and Warranties of the Company. The Company hereby represents and warrants to each Purchaser that, except as set forth on the Disclosure Schedules attached as Exhibit I to this Agreement, which exceptions shall be deemed to be part of the representations and warranties made hereunder, the following representations are true and correct as of the date of the Closing, except as otherwise indicated. The Disclosure Schedules shall be arranged in sections corresponding to the numbered and lettered sections and subsections contained in this Section 2, and the disclosures in any section or subsection of the Disclosure Schedules shall qualify other sections and subsections in this Section 2 only to the extent it is readily apparent from a reading of the disclosure that such disclosure is applicable to such other sections and subsections.

2.1 Organization, Good Standing, Corporate Power and Qualification. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Colorado and has all requisite corporate power and authority to carry on its business as presently conducted and as proposed to be conducted. The Company is duly qualified to transact business as a foreign corporation and is in good standing in the State of California and each jurisdiction in which the failure to so qualify would have a Material Adverse Effect.

2.2 Capitalization.

(a) As set forth on Section 2.2(a) of the Disclosure Schedules, the authorized capital stock of the Company following the Closing and after giving effect to the transactions contemplated by this Agreement (including, without limitation, each of the transactions and events described or contemplated under Section 1.2(d)) consists of (i) 50,000,000 shares of preferred stock, par value $0.0001 ("Preferred Stock"), of which 10,000,000 shares have been designated Convertible Preferred Stock, of which 4,095,602 shares of Convertible Preferred Stock will be issued and outstanding after all regulatory approvals as described in Section 1.2(d) are received, and no other shares of Preferred Stock are issued and outstanding, and (ii) 70,000,000 shares of common stock, par value $0.0001 ("Common Stock"), of which (A) 4,695,601 shares will be issued and outstanding after all regulatory approvals as described in Section 1.2(d) are received, (B) 299,996 shares are reserved for issuance upon exercise of the Warrants, (C) 4,095,602 shares are reserved for issuance upon conversion of the Convertible Preferred Stock, (D) 581,429 shares are reserved for issuance under the Brand Partnership Option, and (E) 898,811 shares are reserved for issuance under the Mission 2021 Equity Incentive Plan.

(b) After giving effect to the transactions contemplated by this Agreement (including, without limitation, each of the transactions and events described or contemplated under Section 1.2(d)), (i) all of the issued and outstanding shares of capital stock of the Company will be owned of record and beneficially as set forth on Section 2.2(a) of the Disclosure Schedules, (ii) none of the issued and outstanding shares of capital stock of the Company will have been issued in violation of any agreement, arrangement, or commitment to which the Company or any of its Affiliates is a party or is subject to or in violation of any preemptive or similar rights of any Person, and (iii) all of the Shares will have the rights, preferences, powers, restrictions, and limitations set forth in the Preferred Stock Designation and under the Colorado Business Corporation Act.

(c) Section 2.2(a) of the Disclosure Schedules also sets forth, as of immediately following the Closing after giving effect to the transactions contemplated by this Agreement, all outstanding or authorized (i) stock options under the Mission 2021 Equity Incentive Plan, and (ii) any other warrants, convertible securities, or other rights, agreements, arrangements, or commitments of any character relating to the capital stock of the Company or obligating the Company to issue or sell any shares of capital stock of, or any other interest in, the Company, in each case, including the number and kind of securities reserved for issuance on exercise or conversion of any such securities or other rights, the exercise or conversion price of any such securities or other rights, and any applicable vesting schedule for any such securities or other rights. Except as set forth on Section 2.2(a) of the Disclosure Schedules, the Company does not have outstanding, authorized, or in effect any stock appreciation, phantom stock, profit participation, or similar rights. Except as set forth on Section 2.2(a) of the Disclosure Schedules and included in any Transaction Agreement, there are no voting trusts, stockholder agreements, proxies or other agreements, understandings, or obligations in effect with respect to the voting, transfer or sale (including any rights of first refusal, rights of first offer, or drag-along rights), issuance (including any pre-emptive or anti-dilution rights), redemption or repurchase (including any put or call or buy-sell rights), or registration (including any related lock-up or market standoff agreements) of any shares of capital stock or other securities of the Company. Other than the transactions contemplated by the Transaction Agreements and immediately prior to the Closing, there is no Preferred Stock or Convertible Preferred Stock outstanding and there have been no conversions of previously-issued Preferred Stock to Common Stock.

(d) The Company has obtained valid waivers of any rights by other parties to purchase any of the Shares covered by this Agreement.

(e) The Company believes in good faith that any "nonqualified deferred compensation plan" (as such term is defined under Section 409A(d)(1) of the Code and the guidance thereunder) under which the Company makes, is obligated to make or promises to make, payments (each, a "409A Plan") complies in all material respects, in both form and operation, with the requirements of Section 409A of the Code and the guidance thereunder. To the knowledge of the Company, no payment to be made under any 409A Plan is, or will be, subject to the penalties of Section 409A(a)(1) of the Code.

2.3 Subsidiaries. The Company does not, directly or indirectly, own, control, or have any interest in any shares or other ownership interest in any other Person.

2.4 Authorization. All corporate action required to be taken by the Company's Board of Directors and stockholders in order to authorize the Company to enter into the Transaction Agreements, and to issue the Shares at the Closing and the Common Stock issuable upon conversion of the Shares, has been taken or will be taken prior to the Closing. All action on the part of the officers of the Company necessary for the execution and delivery of the Transaction Agreements, the performance of all obligations of the Company under the Transaction Agreements, and the issuance and delivery of the Shares has been taken. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

2.5 Valid Issuance of Shares.

(a) The Shares, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, the

Preferred Stock Designation, applicable state and federal securities laws and liens or encumbrances created by or imposed by a Purchaser. Assuming the accuracy of the representations of the Purchasers in Section 3 of this Agreement and subject to the filings described in Section 2.6 below, the Shares will be issued in compliance with all applicable federal and state securities laws. The Common Stock issuable upon conversion of the Shares has been duly reserved for issuance, and upon issuance in accordance with the terms of the Preferred Stock Designation, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, the Preferred Stock Designation, applicable federal and state securities laws and liens or encumbrances created by or imposed by a Purchaser. Based in part upon the representations of the Purchasers in Section 3 of this Agreement, and subject to Section 2.6 below, the Common Stock issuable upon conversion of the Shares will be issued in compliance with all applicable federal and state securities laws.

(b) No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "Disqualification Event") is applicable to the Company or, to the Company's Knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii—iv) or (d)(3), is applicable.

2.6 Governmental Consents and Filings. Assuming the accuracy of the representations made by the Purchasers in Section 3 of this Agreement, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority is required on the part of the Company or, to the Company's Knowledge, either Purchaser in connection with the consummation of the transactions contemplated by this Agreement, except for (i) the filing of the Preferred Stock Designation, which will have been filed as of the Closing, and (ii) filings pursuant to Regulation D of the Securities Act, and applicable state securities laws, which have been made or will be made in a timely manner

2.7 Litigation. There is no claim, action, suit, proceeding, arbitration, complaint, charge or investigation pending or, to the Company's Knowledge, currently threatened (i) against the Company or any officer, director or employee of the Company; or (ii) that questions the validity of the Transaction Agreements or the right of the Company to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; or (iii) to the Company's Knowledge, that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect. There are no outstanding Governmental Orders and no unsatisfied judgments, penalties, or awards against or affecting the Company or any of its properties or assets. There is no action, suit, proceeding or investigation by the Company pending or which the Company intends to initiate.

2.8 Intellectual Property.

(a) Section 2.8(a) of the Disclosure Schedules lists all Intellectual Property owned by the Company (the "Company Intellectual Property") that is either (i) subject to any issuance, registration, application, or other filing by, to, or with any Governmental Authority or authorized private registrar in any jurisdiction (collectively, "Intellectual Property Registrations"), including registered trademarks, domain names, and copyrights, issued and reissued patents, and pending applications for any of the foregoing; or (ii) used in or necessary for the Company's current or planned business or operations. All required filings and fees related to the Intellectual Property Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all Intellectual Property Registrations are otherwise in good standing.

(b) Except as set forth in Section 2.8(b) of the Disclosure Schedules, the Company owns, exclusively or jointly with other Persons, all right, title, and interest in and to the Company Intellectual Property, free and clear of any liens or encumbrances. Without limiting the generality of the

foregoing, the Company has entered into binding, written agreements with every current and former employee of the Company, and with every current and former independent contractor, whereby such employees and independent contractors (i) assign to the Company any ownership interest and right they may have in the Company Intellectual Property; and (ii) acknowledge the Company's exclusive ownership of all Company Intellectual Property. The Company is in full compliance with all legal requirements applicable to the Company Intellectual Property and the Company's ownership and use thereof.

(c) Section 2.8(c) of the Disclosure Schedules lists all licenses, sublicenses, and other agreements whereby the Company is granted rights, interests, and authority, whether on an exclusive or non-exclusive basis, with respect to any Intellectual Property in which the Company holds exclusive or non-exclusive rights or interests granted by license from other Persons (the "Licensed Intellectual Property") that is used in or necessary for the Company's current or planned business or operations. All such agreements are valid, binding, and enforceable between the Company and the other parties thereto, and the Company and such other parties are in full compliance with the terms and conditions of such agreements.

(d) The Company Intellectual Property and Licensed Intellectual Property as currently owned, licensed, or used by the Company or proposed to be used, and the Company's conduct of its business as currently conducted and proposed to be conducted have not, do not, and will not infringe, violate, or misappropriate the Intellectual Property of any Person. The Company has not received any communication, and no Action has been instituted, settled or, to the Company's Knowledge, threatened that alleges any such infringement, violation, or misappropriation, and none of the Company Intellectual Property are subject to any outstanding Governmental Order.

(e) Section 2.8(e) of the Disclosure Schedules lists all licenses, sublicenses, and other agreements pursuant to which the Company grants rights or authority to any Person with respect to any Company Intellectual Property or Licensed Intellectual Property. All such agreements are valid, binding, and enforceable between the Company and the other parties thereto, and the Company and, to the Knowledge of Company, such other parties are in full compliance with the terms and conditions of such agreements. No Person has infringed, violated, or misappropriated, or is infringing, violating, or misappropriating, any Company Intellectual Property.

2.9 Compliance. The Company is not in violation or default (i) of any provisions of its Articles of Incorporation or Bylaws, (ii) of any instrument, judgment, order, writ or decree, (iii) under any note, indenture or mortgage, (iv) under any lease, agreement, contract or purchase order to which it is a party or by which it is bound that is required to be listed on the Disclosure Schedules, or (v) to its Knowledge, of any provision of any Law applicable to the Company, the violation of which would have a Material Adverse Effect. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either (i) a default under any such provision, instrument, judgment, order, writ, decree, contract or agreement, or (ii) an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company.

2.10 Agreements; Actions.

(a) Except for the Transaction Agreements or as set forth in Section 2.10(a) of the Disclosure Schedules, there are no written or oral contracts, obligations, agreements, plans, arrangements, commitments or the like (absolute or contingent) to which the Company is a party or by which it is bound that (i) involve obligations (contingent or otherwise) of, or payments to, the Company in

excess of $25,000 in the aggregate, (ii) involve the license of any patent, copyright, trade secret or other proprietary right to or from the Company (other than generally available "off the shelf" software), (iii) involve the grant of rights to plant, grow, harvest, process, manufacture, produce, assemble, license, market, or sell the Company's products to any other Person or materially adversely affect the Company's exclusive right to develop, manufacture, assemble, distribute, market or sell its products, (iv) involve indemnification by the Company with respect to infringements of proprietary rights of other Persons (other than with respect to generally available "off the shelf" software), (v) restrict or prohibit the Company from competing in any line of business or in any geographic area or with any Person or soliciting the business of any Person or the employment or engagement as a consultant of any Person, (vi) provide for the disposition of the business, assets or equity securities of the Company, whether by asset purchase, unit purchase, merger or otherwise (other than this Agreement), (vii) provide for the acquisition of the business, assets or equity or debt securities of any other Person by the Company, (viii) involve research grants or similar support for research and development activities conduct by or on behalf of the Company or (ix) are otherwise material to the Company or its business (collectively, the "Contracts"). Each Contract is legal, valid, binding, enforceable and in full force and effect with respect to the Company and, to the Knowledge of the Company, with respect to each other party thereto. The Company has complied in all respects with all of the material provisions of the Contracts and is not in default thereunder. The Company has no present intention of not fully performing all of its obligations under each Contract, and, to the Knowledge of the Company, there is no breach by the other party to any Contract. No event has occurred which, with the passage of time or the giving of notice, or both, would constitute or result in, a default under or a violation of any Contract by the Company, or, to the Knowledge of the Company, any other party thereto, or would require any consent thereunder.

(b) The Company has not declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock.

(c) Except as set forth on Schedule 2.10(c) of the Disclosure Schedules, the Company (i) has no outstanding indebtedness for borrowed money and is not a guarantor contingently liable for any indebtedness, (ii) has not made any loans or advances to any Person, other than ordinary advances for travel expenses, and (iii) has not sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business. There exists no default under the provisions of any instrument evidencing any indebtedness or of any agreement relating thereto.

(d) For the purposes of subsections (a), (b) and (c) of this Section 2.10, all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same Person (including Persons the Company has reason to believe are affiliated with each other) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such subsection.

2.11 Certain Transactions.

(a) Other than (i) standard employee benefits generally made available to all employees, (ii) standard director and officer indemnification agreements approved by the Board of Directors, (iii) the purchase of shares of the Company's capital stock and the issuance of options to purchase shares of the Company's Common Stock, (iv) the Transaction Agreements, (v) the Bioforma Investment, and (vi) as set forth on Schedule 2.12(a) of the Disclosure Schedules, in each instance, approved in the written minutes of the Board of Directors (previously provided to the Purchasers or their counsel), there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, consultants or employees, or any Affiliate thereof.

(b) Except as set forth on Schedule 2.11(b) of the Disclosure Schedules, the Company is not indebted, directly or indirectly, to any of its directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing, other than in connection with expenses or advances of expenses incurred in the ordinary course of business or employee relocation expenses and for other customary employee benefits made generally available to all employees. None of the Company's directors, officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or, to the Company's Knowledge, have any (i) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors, (ii) direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation which competes with the Company except that directors, officers, employees or stockholders of the Company may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Company; or (iii) financial interest in any Contract with the Company.

2.12 Rights of Registration and Voting Rights. Except as provided in the Transaction Agreements, the Company is not under any obligation to register under the Securities Act any of its currently outstanding securities or any securities issuable upon exercise or conversion of its currently outstanding securities. To the Company's Knowledge, except as contemplated in the Transaction Agreements, no stockholder of the Company has entered into any agreements with respect to the voting of capital shares of the Company.

2.13 Property. The property and assets that the Company owns are free and clear of all mortgages, deeds of trust, liens, loans and encumbrances, except for statutory liens for the payment of current taxes that are not yet delinquent and encumbrances and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets. With respect to the property and assets it leases, the Company is in compliance with such leases and, to its Knowledge, holds a valid leasehold interest free of any liens, claims or encumbrances other than those of the lessors of such property or assets. The Company does not own any real property.

2.14 Projections. The most recent projections of the Company that have been delivered to each Purchaser are a true and complete copy of the latest projected statements of operating revenue, income, and cash flows of the Company for the fiscal years ending December 31, 2021, 2022 and 2023 (the "Projections"). Such projections (i) were based on the assumptions set forth therein which in the good faith Knowledge of the Company were reasonable and fair at the time they were made, and which continue to be reasonable and fair as of the Closing, and (ii) are reasonable estimates of the Company's financial performance for the periods indicated therein in light of the assumptions made.

2.15 Employee Matters.

(a) As of the date hereof, the Company employs four (4) full-time employees and one (1) part-time employee and engages one (1) consultant or independent contractors.

(b) As of the date hereof, all compensation, including wages, commissions, and bonuses, payable to employees, independent contractors, or consultants of the Company for services performed on or prior to the date hereof have been paid in full (or accrued in full on the books and records of the Company), and there are no outstanding agreements, understandings, or commitments of the Company with respect to any employment, compensation, commissions, or bonuses.

(c) The Company is not a party to, bound by, or negotiating any collective bargaining agreement or other Contract with a union, works council, or labor organization (collectively, "Union"), and there is not any Union representing or purporting to represent any employee of the Company, and, to the Company's Knowledge, no Union or group of employees is seeking or has sought to organize employees for the purpose of collective bargaining. There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, concerted refusal to work overtime, or other similar labor disruption or dispute affecting the Company or any of its employees. The Company has no duty to bargain with any Union.

(d) The Company is in compliance with all applicable Laws pertaining to employment and employment practices, including all Laws relating to labor relations, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers' compensation, leaves of absence, and unemployment insurance. All individuals characterized and treated by the Company as independent contractors or consultants are properly treated as independent contractors under all applicable Laws. All employees classified as exempt under the Fair Labor Standards Act and state and local wage and hour laws are properly classified in all material respects. There are no Actions against the Company pending, or to the Company's Knowledge, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former applicant, employee, consultant or independent contractor of the Company, including, without limitation, any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, equal pay, wage and hours, or any other employment related matter arising under applicable Laws.

(e) The Company has not made any representations regarding equity incentives to any officer, employee, director or consultant that are not reflected in Section 2.2(c) of the Disclosure Schedules.

(f) Section 2.15(f) of the Disclosure Schedules sets forth each employee benefit plan maintained, established or sponsored by the Company, or which the Company participates in or contributes to, which is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Company has made all required contributions and has no liability to any such employee benefit plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA, and has complied in all material respects with all applicable Laws for any such employee benefit plan.

2.16 Tax Returns and Payments. There are no federal, state, county, local or foreign taxes due and payable by the Company which have not been timely paid. There are no accrued and unpaid federal, state, county, local or foreign taxes of the Company which are due, whether or not assessed or disputed. There have been no examinations or audits of any tax returns or reports by any applicable federal, state, local or foreign governmental agency. No claim has ever been made by a tax authority in a jurisdiction where the Company does not file tax returns that the Company is or may be subject to taxation by that jurisdiction. The Company has duly and timely filed all federal, state, county, local and foreign tax returns required to have been filed by it and all such tax returns are true, correct and complete. There are in effect no waivers of applicable statutes of limitations with respect to taxes for any year. The Company has timely and properly withheld and paid all taxes required to be withheld and paid. The Company is not a party to any agreement, contract, arrangement or plan that has resulted or would result in, a payment that would not be fully deductible as a result of Section 280G of the Internal Revenue Code or any similar provision of non-U.S., state, or local Law, determined without regard to the reasonableness of any such compensation

under Section 280G(b)(4). There are no liens for taxes (other than for taxes not yet due and payable) upon any assets of the Company.

2.17 Insurance. The Company has in full force and effect fire and casualty insurance policies with extended coverage, sufficient in amount (subject to reasonable deductions) to allow it to replace any of its properties that might be damaged or destroyed.

2.18 Permits. Except (a) for the NFuzed California Marijuana Licenses, the NFuzed Colorado Marijuana Licenses and the Level 10 Marijuana Licenses that are the subject of the Escrow Funds under Section 1.2(d)(i), and (b) as set forth on Section 2.18 of the Disclosure Schedules, the Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business, the lack of which could reasonably be expected to have a Material Adverse Effect. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

2.19 Company Documents. A copy of the Articles of Incorporation and Bylaws of the Company have been provided to the Purchasers. Except as set forth on Schedule 2.19 of the Disclosure Schedules, the Company has not held any meetings of directors or stockholders or taken any action by written consent without a meeting by the directors or stockholders since the date of incorporation.

2.20 Environmental and Safety Laws. Except as could not reasonably be expected to have a Material Adverse Effect to the best of its Knowledge (a) the Company is, and has been, in compliance with all Environmental Laws; (b) there has been no release or, to the Company's Knowledge, threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof (each a "Hazardous Substance"), on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (c) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any governmental authority in the United States; and (d) there are no underground storage tanks located on, no polychlorinated biphenyls ("PCBs") or PCB-containing equipment used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. The Company has made available to the Purchasers true and complete copies of all material environmental records, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies and environmental studies or assessments. For purposes of this Section 2.20, "Environmental Laws" means any law, regulation, or other applicable requirement relating to (a) releases or threatened release of Hazardous Substance; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

2.21 Disclosure. The Company has made available to the Purchasers all the information reasonably available to the Company that the Purchasers have requested for deciding whether to acquire the Shares, including but not limited to, the Projections. No representation or warranty of the Company contained in this Agreement, as qualified by the Disclosure Schedules, and no certificate furnished or to be furnished to Purchasers at the Closing contains any untrue statement of a material fact or, to the Company's Knowledge, omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. It is understood that this representation is qualified by the fact that the Company has not delivered to the Purchasers, and has not been requested to deliver, a private placement or similar memorandum or any written disclosure of the types of information customarily furnished to purchasers of securities.

2.22 No General Solicitation. The Company has not published, distributed, issued, posted or otherwise used or employed and shall not publish, distribute, issue, post or otherwise use or employ (i) any form of general solicitation or advertising within the meaning of Rule 502 under the Securities Act, or (ii) any general solicitation that constitutes a written communication within the meaning of Rule 405 under the Securities Act.

2.23 Certain Business Practices. No officer, director, board member, employee, consultant, agent or other person acting for or on behalf of the Company or any of their affiliates has (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity in respect of the Company's business, management or financial affairs; (ii) directly or indirectly, paid or delivered any fee, commission or other sum of money or item of property, however characterized, to any finder, agent, or other party acting on behalf of or under the auspices of a governmental official or Governmental Authority which is in any manner illegal under any Laws of the United States or any other country having jurisdiction; or (iii) made any payment to any customer or supplier of the Company, or given any other consideration to any such customer or supplier in respect of the Company's business, management or financial affairs that violates applicable Law in any material respect. Without limiting the foregoing, the Company has not taken any action, directly or indirectly, that would result in a violation of the Foreign Corrupt Practices Act (15 U.S.C. §§ 78m(b), 78dd-1, 78dd-2, 78ff) (the "FCPA") or any Law in any country intended to satisfy that country's commitments under the OECD or UN Conventions Against Corruption, or any rules or regulations there under or any other applicable anticorruption law. Further, the Company has not committed any crime through use of the mails, phone lines, internet or any means or instrumentality of interstate commerce in furtherance of a crime or to influence any person to act in breach of a duty of good faith, impartiality or trust ("acting improperly") or to reward any person for acting improperly, in contravention of the applicable Laws. The Company has not requested or agreed to receive or accept a financial or other advantage intending that, as a consequence, anyone's work duties will be performed improperly, nor as a reward for anyone's past improper performance. Except as set forth in Section 2.23 of the Disclosure Schedules, the Company and each of its Affiliates have instituted and maintained controls, policies and procedures designed to assure compliance with all applicable Laws and financial regulations.

2.24 Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) or use of any "personally identifiable information" (as defined in applicable Laws) from any individuals, including, without limitation, any customers, prospective customers, employees or other third parties (collectively "Personal Information"), the Company is and has been, to the Company's Knowledge, in compliance in all material respects with all applicable Laws in all relevant jurisdictions, the Company's privacy policies and the requirements of any applicable contract or codes of conduct to which the Company is a party. The Company maintains commercially reasonable physical, technical, and administrative security measures and policies designed to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. To the extent the Company maintains or transmits protected health information, as defined under 45 C.F.R. § 160.103, the Company is in compliance in all material respects with the applicable requirements of the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, including all rules and regulations promulgated thereunder. The Company is and has been, to the Company's Knowledge, in compliance in all material respects with all applicable Laws relating to data loss, theft and breach of security notification obligations.

3. Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Company, severally and not jointly, that:

3.1 Authorization. The Purchaser has full power and authority to enter into the Transaction Agreements. The Transaction Agreements to which the Purchaser is a party, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

3.2 No Conflicts; Consents. The execution, delivery, and performance by the Purchaser of this Agreement and the other Transaction Agreements to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, by-. laws, or other organizational documents of Purchaser; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Purchaser; or (c) require the consent, notice, or other action by any Person under any Contract to which Purchaser is a party. No consent, approval, permit, license, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Purchaser in connection with the execution and delivery of this Agreement and the other Transaction Agreements and the consummation of the transactions contemplated hereby and thereby.

3.3 Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Shares to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Shares.

3.4 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management and has had an opportunity to review the Company's facilities. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 2 of this Agreement or the right of the Purchasers to rely thereon.

3.5 Restricted Securities. The Purchaser understands that the Shares have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Shares, or the Common Stock into which it may be converted, for resale except as set forth in the Investors' Rights Agreement. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

3.6 No Public Market. The Purchaser understands that no public market now exists for the Shares, and that the Company has made no assurances that a public market will ever exist for the Shares.

3.7 Legends. The Purchaser understands that the Shares and any securities issued in respect of or exchange for the Shares, may be notated with one or all of the following legends:

(a) "THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.";

(b) Any other legend set forth in, or required by, the other Transaction Agreements; and

(c) Any legend required by the securities laws of any state to the extent such laws are applicable to the Shares represented by the certificate, instrument, or book entry so legended.

3.8 Accredited Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

3.9 No General Solicitation. Neither the Purchaser, nor any of its officers, directors, employees, agents, stockholders or partners has either directly or indirectly, including, through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Shares.

3.10 Exculpation Among Purchasers. The Purchaser acknowledges that it is not relying upon any Person, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. The Purchaser agrees that neither any Purchaser nor the respective controlling Persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable to any other Purchaser for any action heretofore taken or omitted to be taken by any of them in connection with the purchase of the Shares.

3.11 Residence. If the Purchaser is an individual, then the Purchaser resides in the state or province identified in the address of the Purchaser set forth on Exhibit A; if the Purchaser is a partnership, corporation, limited liability company or other entity, then the office or offices of the Purchaser in which its principal place of business is identified in the address or addresses of the Purchaser set forth on Exhibit A.

3.12 Suitability. The Purchaser is qualified and suitable for qualification under the provisions of the Colorado Marijuana Code and the rules and regulations promulgated thereunder, and the Purchaser will be (or is) qualified and suitable for qualification under the similar codes applicable in California with respect to the Company's business and the rules and regulations promulgated thereunder upon filing of necessary ownership and/or financial interest holder applications with the California Department of Cannabis Control, which shall be filed by the Purchaser within a reasonable period of time following the Closing Date. The Purchaser has no reason to believe that it would not so qualify or be suitable.

3.13 Cooperation. The Purchaser acknowledges that as a result of the Company or its subsidiaries being a commercial cannabis business, the Purchaser may be required to be listed as and owner or financial interest holder of the Company or such subsidiary under applicable cannabis Laws. This may include, but not be limited to, completion of State and local regulatory applications and investigations by State and local licensing authorities and being approved by the same. Upon request, the Purchaser will promptly provide the Company or such subsidiary with such information regarding the Purchaser or take such other reasonable action as may be determined by the Company as may be necessary to comply with applicable cannabis Laws.

4. Conditions to the Purchasers' Obligations at Closing. The obligations of each Purchaser to purchase Shares at the Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived:

4.1 Representations and Warranties. The representations and warranties of the Company contained in Section 2 shall be true and correct in all respects as of the Closing.

4.2 Performance. The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company on or before the Closing.

4.3 Compliance Certificate. The President of the Company shall deliver to the Purchaser at the Closing a certificate certifying that the conditions specified in Sections 4.1 and 4.2 have been fulfilled.

4.4 Qualifications. All authorizations, approvals or permits, if any, of any Governmental Authority of the United States or of any state that are required in connection with the transactions contemplated pursuant to the Transaction Agreements shall be obtained and effective as of the Closing.

4.5 Board of Directors. As of the Closing, the authorized size of the Board shall be five (5) members, and the Board shall be comprised of Doug Burkhalter, Hadley Ford, Collin Lodge, M. David White, and John Harris.

4.6 Indemnification Agreements. The Company shall have executed and delivered an Indemnification Agreement for each member of the Board of Directors.

4.7 Investors' Rights Agreement. The Company, each Purchaser (other than the Purchaser relying upon this condition to excuse such Purchaser's performance hereunder) and the other stockholders of the Company named as parties thereto shall have executed and delivered the Investors' Rights Agreement.

4.8 Right of First Refusal and Co Sale Agreement. The Company, each Purchaser (other than the Purchaser relying upon this condition to excuse such Purchaser's performance hereunder), and the other stockholders of the Company named as parties thereto shall have executed and delivered the Right of First Refusal and Co Sale Agreement.

4.9 Voting Agreement. The Company, each Purchaser (other than the Purchaser relying upon this condition to excuse such Purchaser's performance hereunder), and the other stockholders of the Company named as parties thereto shall have executed and delivered the Voting Agreement.

4.10 Preferred Stock Designation. The Company shall have filed the Preferred Stock Designation with the Secretary of State of Colorado on or prior to the Closing, which shall continue to be in full force and effect as of the Closing.

4.11 Secretary's Certificate. The secretary of the Company shall have delivered to the Purchasers at the Closing a certificate certifying (i) the Articles of Incorporation of the Company, as amended by the Preferred Stock Designation, (ii) Bylaws of the Company, and (iii) resolutions of the Board of Directors of the Company approving the Transaction Agreements and the transactions contemplated under the Transaction Agreements.

4.12 Escrow Agreement. The Escrow Agent and each other party thereto (other than the Purchaser relying upon this condition to excuse such Purchaser's performance hereunder) shall have executed and delivered the Escrow Agreements.

4.13 Execution of Contribution Agreements. Each of the NFuzed California Contribution Agreement, the NFuzed Colorado Contribution Agreement and the Level 10 Contribution Agreement shall have been executed and delivered by each of the respective parties thereto.

4.14 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to each Purchaser, and each Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates from the Colorado Secretary of State and the California Secretary of State.

5. Conditions of the Company's Obligations at Closing. The obligations of the Company to sell Shares to the Purchasers at the Closing or any subsequent Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived:

5.1 Representations and Warranties. The representations and warranties of each Purchaser contained in Section 3 shall be true and correct in all respects as of the Closing.

5.2 Performance. Each Purchaser shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by them on or before the Closing.

5.3 Qualifications. All authorizations, approvals or permits, if any, of any Governmental Authority of the United States or of any state that are required in connection with the transactions contemplated pursuant to the Transaction Agreements shall be obtained and effective as of the Closing.

5.4 Investors' Rights Agreement. Each Purchaser and the other stockholders of the Company named as parties thereto shall have executed and delivered the Investors' Rights Agreement.

5.5 Right of First Refusal and Co Sale Agreement. Each Purchaser and the other stockholders of the Company named as parties thereto shall have executed and delivered the Right of First Refusal and Co Sale Agreement.

5.6 Voting Agreement. Each Purchaser and the other stockholders of the Company named as parties thereto shall have executed and delivered the Voting Agreement.

5.7 Payment of Purchase Price. Purchasers shall have deposited with the Escrow Agent cash in the amount and as required pursuant to Sections 1.2(d)(i)(A), Section 1.2(d)(i)(B) and Section 1.2(d)(i)(C).

5.8 Indemnification Agreements. Each member of the Board of Directors shall have executed and delivered an Indemnification Agreement.

5.9 Execution of Contribution Agreements. Each of the NFuzed California Contribution Agreement, the NFuzed Colorado Contribution Agreement and the Level 10 Contribution Agreement shall have been executed by each of the respective parties thereto.

5.10 Execution of Joinder Agreement and Spousal Consent. Each Purchaser shall have executed and delivered a Joinder Agreement, and each Purchaser who has a Spouse on the date of this Agreement shall cause such Purchaser's Spouse to execute and deliver to the Company a Spousal Consent, pursuant to which the Spouse, among other things, acknowledges that he or she has read and understood the Agreement and agrees to be bound by its terms and conditions; provided that, if any Purchaser should marry or engage in a Marital Relationship following the date of this Agreement, such Purchaser shall cause his or her Spouse to execute and deliver to the Company a Spousal Consent within fifteen (15) business days thereof.

5.11 Escrow Agreement. The Escrow Agent and each other party thereto (other than the Company) shall have executed and delivered the Escrow Agreements.

6. Miscellaneous

6.1 Survival of Warranties. Unless otherwise set forth in this Agreement, the representations and warranties of the Company and the Purchasers contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Purchasers or the Company.

6.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, legal representatives and permitted assigns of the parties. No party may assign its rights or obligations hereunder without the prior written consent of the other parties, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder. Nothing in this Agreement, express or implied, is intended to or shall confer upon any party other than the parties hereto or their respective successors, heirs, legal representatives and permitted assigns any rights, remedies, benefits, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.3 Governing Law. This Agreement shall be governed by and construed in accordance with the internal law of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction).

6.4 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via email or other means of electronic transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.5 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.6 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt, or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. All communications shall be sent to the respective parties at their e-mail address and location address as set forth on the signature page or Exhibit A or to such e-mail address or location address as subsequently modified by written notice given in accordance with this Section 6.6.

6.7 No Finder's Fees. Each party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction, except for the Company's obligation for a fee payable to Cambridge Wilkinson. Each Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of the transactions contemplated hereunder (and the costs and expenses of defending against such liability or asserted liability) for which such Purchaser or any of its officers, employees or representatives is responsible. The Company agrees to indemnify and hold harmless each Purchaser from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible, except with respect to the fee payable to Cambridge Wilkinson.

6.8 Fees and Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors, and accountants, incurred in connection with this Agreement and the transactions contemplated hereunder shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

6.9 Amendments and Waivers. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. Any amendment or waiver effected in accordance with this Section 6.9 shall be binding upon the Purchasers and each transferee of the Shares (or the Common Stock issuable upon conversion thereof), each future holder of all such securities, and the Company.

6.10 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.11 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this

Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by Law or otherwise afforded to any party, shall be cumulative and not alternative.

6.12 Entire Agreement. This Agreement (including the Exhibits hereto), the Preferred Stock Designation and the other Transaction Agreements constitute the full and entire understanding and agreement between the parties with respect to the subject matter hereof and thereof, and any other written or oral agreement relating to the subject matter hereof and thereof existing between the parties are expressly canceled.

6.13 Dispute Resolution.

(a) Venue. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state and federal courts located in Denver County, Colorado (the "Courts of Jurisdiction") for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the Courts of Jurisdiction, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

(b) WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION AGREEMENTS, THE SHARES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT THIS SECTION HAS BEEN FULLY DISCUSSED BY SUCH PARTY AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL

(c) Attorneys' Fees. The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in any Court of Jurisdiction having subject matter jurisdiction.

6.14 No Public Announcements. No party hereto shall issue any press release or make any other public announcement or disclosure with respect to this Agreement and the transactions

contemplated herein without the prior written consent of the other party, except for any press release, public announcement, or other public disclosure that is required by applicable Law or governmental regulations or by order of a court of competent jurisdiction. Prior to making any such required disclosure the disclosing party shall have given written notice to the non-disclosing party describing in reasonable detail the proposed content of such disclosure and shall permit the non-disclosing party to review and comment upon the form and substance of such disclosure.

6.15 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

6.16 No Commitment for Additional Financing. The Company acknowledges and agrees that no Purchaser has made any representation, undertaking, commitment or agreement to provide or assist the Company in obtaining any financing, investment or other assistance, other than the purchase of the Shares as set forth herein and subject to the conditions set forth herein. In addition, the Company acknowledges and agrees that (i) no statements, whether written or oral, made by any Purchaser or its representatives on or after the date of this Agreement shall create an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment, (ii) the Company shall not rely on any such statement by any Purchaser or its representatives, and (iii) an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment may only be created by a written agreement, signed by such Purchaser and the Company, setting forth the terms and conditions of such financing or investment and stating that the parties intend for such writing to be a binding obligation or agreement. Each Purchaser shall have the right, in its sole and absolute discretion, to refuse or decline to participate in any other financing of or investment in the Company, and shall have no obligation to assist or cooperate with the Company in obtaining any financing, investment or other assistance except as otherwise provided herein.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Preferred Stock Purchase Agreement as of the date first written above.

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

[Signature Page to Preferred Stock Purchase Agreement]

IN WITNESS WHEREOF, the parties have executed this Preferred Stock Purchase Agreement as of the date first written above.

PURCHASERS:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

[_____]

By: _____
Name: _____
Title: _____

[Signature Page to Preferred Stock Purchase Agreement]

EXHIBITS

Exhibit A –	**SCHEDULE OF PURCHASERS**
Exhibit B –	**FORM OF PREFERRED STOCK DESIGNATION**
Exhibit C –	**FORM OF INDEMNIFICATION AGREEMENT**
Exhibit D –	**LEVEL 10 CONTRIBUTION AGREEMENT**
Exhibit E-1 –	**NFUZED CALIFORNIA CONTRIBUTION AGREEMENT (ASSET PURCHASE AGREEMENT)**
Exhibit E-2 –	**NFUZED CALIFORNIA CONTRIBUTION AGREEMENT (MEMBERSHIP INTEREST PURCHASE AND SALE AGREEMENT)**
Exhibit F –	**NFUZED COLORADO CONTRIBUTION AGREEMENT**
Exhibit G –	**FORM OF JOINDER AGREEMENT**
Exhibit H –	**FORM OF SPOUSAL CONSENT**
Exhibit I –	**DISCLOSURE SCHEDULES**

Exhibit 10.4

OMNIBUS AMENDMENT

This OMNIBUS AMENDMENT (this "Amendment") is dated as of July 7, 2022 (the "Effective Date"), by and among MISSION HOLDINGS US, INC., a Colorado corporation (the "Company"), and the investors listed on Exhibit A attached to this Amendment (collectively, the "Investors").

WHEREAS, the Company is a party to that certain Preferred Stock Purchase Agreement, dated as of May 20, 2022, by and among the Company and the Investors party thereto (as amended, restated, or modified from time to time, the "Purchase Agreement").

WHEREAS, the Company is a party to that certain Right of First Refusal and Co-Sale Agreement, dated as of May 20, 2022, by and among the Company and the Investors party thereto (as amended, restated, or modified from time to time, the "ROFR Agreement").

WHEREAS, the Company is a party to that certain Investors' Rights Agreement, dated as of May 20, 2022, by and among the Company and the Investors party thereto (as amended, restated, or modified from time to time, the "Investors' Rights Agreement").

WHEREAS, the Company is a party to that certain Voting Agreement, dated as of May 20, 2022, by and among the Company, the Investors that are a party thereto and those certain other stockholders of the Company that are a party thereto (as amended, restated, or modified from time to time, the "Voting Agreement").

WHEREAS, the "Transaction Agreements" shall mean, collectively, the Purchase Agreement, the ROFR Agreement, the Investors' Rights Agreement and the Voting Agreement.

WHEREAS, the following individuals now desire to purchase share of Convertible Preferred Stock (as defined in the Purchase Agreement) pursuant to the Purchase Agreement: Daranda Catto, Doug Burkhalter, David S. Spewak and Douglas M. Worley (the "New Investors").

WHEREAS, the Company and the Investors now wish to amend each of the Transaction Agreements in certain respects, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Joinder. By executing this Amendment, each of the New Investors hereby agrees, effective as of the Effective Date, to become a party to each Transaction Agreement, and, for all purposes of each Transaction Agreement, the undersigned shall be included as a party thereto. In furtherance of the foregoing, by executing this Amendment, each of the New Investors hereby executes each Transaction Agreement, authorizes the appropriate officers and directors of the Company to attach such New Investor's signature page of this Amendment to a counterpart of each Transaction Agreement to form a part thereof.

2. Amendments to Purchase Agreement. The Purchase Agreement is hereby amended as follows:

a. Section 1.2 is deleted in its entirety and replaced with the following:

"1.2 Closing; Delivery; Purchase Price Payments

(a) The initial purchase and sale of the Shares as contemplated under this Section 1.2 shall take place remotely via the exchange of documents and signatures on the date hereof or such other date as the Company and the Purchasers mutually agreed upon, orally or in writing (which time and place are designated as the "Initial Closing"). In the event there is more than one closing, the term "Closing" shall apply to each such closing unless otherwise specified.

(b) The Company shall issue the Shares being purchased by each Purchaser against payment of the purchase price therefor by such Purchaser to the Company by wire transfer of immediately available funds to an account designated in writing by the Company at such Closing and at the other times as set forth in Section 1.2(d), as applicable.

(c) Within thirty (30) days following each Closing with respect to the Shares being issued at such Closing, and within thirty (30) days following each other date on which Shares are issued by the Company pursuant to the terms of Section 1.2(d), the Company shall deliver to each Purchaser a certificate representing the Shares purchased by such Purchaser, which certificates shall bear any legends required by any of the Transaction Agreements.

(d) With respect to the Initial Closing, the Purchase Price shall be delivered by the Purchasers to the Company, and the Shares being purchased by the Purchasers shall be issued by the Company to the Purchasers, as follows:

(i) At the Initial Closing, the following shall occur:

(A) Schwazze shall deposit one hundred percent (100%) of the Purchase Price attributed to the Shares being purchased by it pursuant to Section 1.1(a) (which amount is $2,000,000) (the "Schwazze Escrow Funds") by wire transfer of immediately available funds with Secured Trust Escrow, a California corporation (the "Escrow Agent"), and no Shares shall be issued by the Company to Schwazze in exchange for the Schwazze Escrow Funds at such time;

(B) Techas shall deposit $2,600,000 of the Purchase Price attributed to the Shares being purchased by it pursuant to Section 1.1(a) (the "Techas Escrow Funds") by wire transfer of immediately available funds with the Escrow Agent, and no Shares shall be issued by the Company to Techas in exchange for the Techas Escrow Funds at such time;

(C) the Founders and Others Group shall deposit one hundred percent (100%) of the Purchase Price attributed to the Shares being purchased by the Founders and Others Group pursuant to Section 1.1(a) (which amount is $1,854,000) (the "Founders and Others Group Escrow Funds", and together with the Major Purchasers' Escrow Funds, the "Escrow Funds") by wire transfer of immediately available funds with the Escrow Agent, with each Purchaser of the Founders and Others Group depositing a pro-rata portion of

such funds with the Escrow Agent based on the ratio of total Shares that such Purchaser is purchasing pursuant to Section 1.1(a) bears to the total Shares being purchased by the Founders and Others Group pursuant to Section 1.1(a) (the "Founders and Others Group Ratio"), and no Shares shall be issued by the Company to the Founders and Others Group in exchange for the Founders and Others Group Escrow Funds at such time; and

(D) the Major Purchasers' Escrow Funds shall be deposited and held by the Escrow Agent in a non-interest bearing account pursuant to that certain Amended and Restated Escrow Agreement dated as of the date of the Omnibus Agreement by and among the Escrow Agent, Schwazze, Techas and the Company (the "Major Purchasers' Escrow Agreement") and applied by the Escrow Agent in accordance with the terms of this Section 1.2(d); and

(E) the Founders and Others Group Escrow Funds shall be deposited and held by the Escrow Agent in a non-interest bearing account pursuant to that certain Amended and Restated Escrow Agreement dated as of the date of the Omnibus Agreement by and among the Escrow Agent, the Founders and Others Group and the Company (the "Founders and Others Group Escrow Agreement", and together with the Major Purchasers' Escrow Agreement, the "Escrow Agreements") and applied by the Escrow Agent in accordance with the terms of this Section 1.2(d).

(F) if at least $6,454,000 of the Escrow Funds is not deposited with the Escrow Agent pursuant to this Section 1.2(d)(i) within sixty (60) days of the Initial Closing, then the Escrow Funds actually deposited with the Escrow Agent at such time shall be returned by the Escrow Agent to the Purchasers, with each Purchaser receiving the amount of Escrow Funds originally deposited by such Purchaser, respectively, with the Escrow Agent.

(ii) Once the aggregate amount of the Escrow Funds deposited with the Escrow Agent in accordance with Section 1.2(d)(i) is equal to at least $6,454,000, then the following shall occur:

(A) the Escrow Agent shall release all of the Major Purchasers' Escrow Funds to the Company, and upon the Company's receipt of such funds, 1,098,901 Shares shall be issued by the Company to Schwazze and 1,428,571 Shares shall be issued by the Company to Techas; and

(B) the Escrow Agent shall release all of the Founders and Others Group Escrow Funds to the Company, and upon the Company's receipt of such funds, an aggregate of 1,018,679 Shares will be issued by the Company to the Founders and Others Group, with each such Purchaser receiving his, her or its pro-rata portion of such Shares based on the Founders and Others Group Ratio.

(e) Sale of Additional Shares of Convertible Preferred Stock.

(i) After the Initial Closing, the Company may sell, on the same terms and conditions as those contained in this Agreement, up to 741,758 additional Shares (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or

similar recapitalization affecting such Shares) (the "Additional Shares"), to one (1) or more purchasers (the "Additional Purchasers"), for an additional amount of aggregate sales proceeds of up to $1,350,000, provided that (i) such subsequent sale is consummated prior to ninety (90) days after the Initial Closing, (ii) each Additional Purchaser becomes a party to the Transaction Agreements (as defined below) (other than the Preferred Stock Designation, the Indemnification Agreements, the Stockholders' Agreement and the Escrow Agreements), by executing and delivering a counterpart signature page to each of the Transaction Agreements to the Company, (iii) each Additional Purchaser executes and delivers a Joinder Agreement to the Company, and (iv) each Additional Purchaser who has a Spouse on the date of the applicable Closing shall cause such Additional Purchaser's Spouse to execute and deliver to the Company a Spousal Consent. Exhibit A to this Agreement shall be updated to reflect the number of Additional Shares purchased at each such Closing and the Additional Purchasers purchasing such Additional Shares.

(ii) The Bridge Purchaser shall sell all or a portion of the Shares purchased by the Bridge Purchaser under this Agreement (the "Bridge Shares") to the Company equal to the number of Excess Additional Shares, at a purchase price of $1.82 per Share. "Excess Additional Shares" means the number of Additional Shares equal to (A) the aggregate number of Additional Shares sold by the Company pursuant to Section 1.2(e)(i), less (B) 549,450 Additional Shares (i.e., $1,000,000/$1.82). For clarification, the Bridge Purchaser is obligated to sell Bridge Shares pursuant to this Section 1.2(e)(ii) only if and to the extent that the aggregate number of Additional Shares sold by the Company exceeds 549,450 Additional Shares. Such required sale of Bridge Shares under this Section 1.2(e)(ii) shall occur in connection with any sale of Additional Shares that results in any Excess Additional Shares. The Bridge Purchaser hereby waives any right or claim to receive any preferred dividend accrued with respect to the Bridge Shares that the Bridge Purchaser sells to the Company pursuant to this Section 1.2(e)(ii)."

b. Section 1.3 is deleted in its entirety and replaced with the following:

"1.3 Use of Proceeds. The Company will use the proceeds from the sale of the Shares for working capital and general corporate purposes and for making $5,200,000 in aggregate cash payments required to be made by the Company under the NFuzed Colorado Contribution Agreement, the NFuzed California Contribution Agreement and the Level 10 Contribution Agreement and for working capital, investment and general corporate purposes, including without limitation, the Company's contemplated investment in Bioforma LLC (the "Bioforma Investment")."

c. Section 1.5 is amended by inserting the following new definitions in the appropriate alphabetical order:

"Bridge Purchaser" means Doug Burkhalter.

"Omnibus Amendment" means that certain Omnibus Amendment dated as of July 7, 2022 by and between the Company and the investors listed on Exhibit A attached thereto.

"Techas Escrow Funds" has the meaning set forth in Section 1.2(d)(i)(B).

d. Section 1.5 is amended by deleting the following definitions in their entirety and replacing them with the following:

"Founders and Others Group" means, collectively, Manchester Partners, L.L.C., a Missouri limited liability company, Bart Holtzman, Zach Friedman, Tony Talamo, Mission Investments, LLC, a Missouri limited liability company, Daranda Catto, the Bridge Purchaser, David S. Spewak and Douglas M. Worley.

"Major Purchasers' Escrow Funds" means, collectively, the Schwazze Escrow Funds and the Techas Escrow Funds.

"Purchaser" means each of the Purchasers who is initially a party to this Agreement and any Additional Purchaser who becomes a party to this Agreement at a subsequent Closing under Section 1.2(e).

e. Section 1.5 is amended by deleting the following definitions in their entirety: "Initial Techas Escrow Funds"; and "Remaining Techas Escrow Funds".

f. Exhibit A (Schedule of Purchasers) attached thereto is deleted in its entirety and replaced with the Exhibit A attached hereto and incorporated herein by this reference

3. Initial Closing Date. The parties hereto acknowledge and agree that the Initial Closing as contemplated under Section 1.2(a) of the Purchase Agreement shall take place and occur on the date hereof.

4. Amendment to ROFR Agreement. The ROFR Agreement is hereby amended by deleting Schedule A (Investors) in its entirety and replacing it with Schedule A (Investors) attached hereto and incorporated herein by this reference.

5. Amendments to Investors' Rights Agreement. The Investors' Rights Agreement is hereby amended as follows:

a. The introductory paragraph is amended by changing the reference in the last line thereof from "Section 4.10" to "Section 5.10".

b. Section 2.10 is amended by changing the reference in the last line thereof from "Section 4.10" to "Section 5.10".

c. Section 5.5 is amended by changing the reference in the last line thereof from "Section 4.5" to "Section 5.5".

d. Section 5.6 is amended by changing the reference in the fourth sentence thereof from "Section 4.6" to "Section 5.6".

e. Section 5.9 is amended by changing the references in the last sentence thereof from "Section 4.9" to "Section 5.9".

f. Schedule A (Investors) attached thereto is deleted in its entirety and replaced with Schedule A (Investors) attached hereto and incorporated herein by this reference.

6. Amendment to Voting Agreement. The Voting Agreement is hereby amended by deleting Schedule A (Investors) in its entirety and replacing it with Schedule A (Investors) attached hereto and incorporated herein by this reference.

7. Miscellaneous Provisions. Except as expressly amended by this Amendment, all terms, conditions, and provisions of the Transaction Agreements shall continue in full force and effect. This Amendment, together with the Transaction Agreements, constitutes the entire agreement of the parties with respect to the subject matter hereof and thereof and supersedes all prior representations, understandings and agreements between the parties hereto with respect to such subject matter. This Amendment shall be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction). This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via email or other means of electronic transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[Signature page follows]

COUNTERPART SIGNATURE PAGE TO OMNIBUS AMENDMENT

IN WITNESS WHEREOF, the undersigned party(ies) has executed this Omnibus Amendment as of the date first written above.

COMPANY:

MISSIOIN HOLDINGS US, INC.

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

[Signature page to Omnibus Amendment]

COUNTERPART SIGNATURE PAGE TO OMNIBUS AMENDMENT

IN WITNESS WHEREOF, the undersigned party(ies) has executed this Omnibus Amendment as of the date first written above.

MEDICINE MAN TECHNOLOGIES, INC.
(D/B/A SCHWAZZE)

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

[Signature page to Omnibus Amendment]

Exhibit A

SCHEDULE OF PURCHASERS

Intentionally Omitted

SCHEDULE A

INVESTORS

Intentionally Omitted

BRAND PARTNERSHIP AGREEMENT

THIS BRAND PARTNERSHIP AGREEMENT (this **"Agreement"),** is dated August 23, 2022 (the **"Effective Date")** by and between Mission Holdings US, Inc. (the **"Company"),** and Medicine Man Technologies, Inc. (**"Schwazze"**). The Company and Schwazze are sometimes individually referred to herein as a **"Party"** and collectively as the **"Parties."**

WHEREAS, the Company desires to have a long-term strategic relationship with Schwazze to support its brand development, distribution and sales, as well as access to additional capital to build its brands in Colorado and California; and

WHEREAS, Schwazze desires to secure most favored nation access to current and future brands of the Company in its retail and omnichannel stores, as well as rights to acquire ownership of the Company;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties agree as follows:

1. Definitions

   a. **"Affiliates"** has the meaning set forth in Rule 12b-2 of the regulations promulgated under the Securities Exchange Act

   b. **"Brand Category"** means the following cannabis product categories: flower and gummies or other categories as approved by Schwazze in its sole discretion.

   c. **"Buy-Out Option"** means the buy-out option as defined in Section 6 of the Right of First Refusal and Co-Sale Agreement.

   d. **"Company LTM EBITDA"** means for the 12-month period immediately preceding the date on which Schwazze provides notice to the Company of its election to exercise the Buy-Out Option, net income, plus income taxes, plus interest expense, plus depreciation, plus amortization, as adjusted (i) for such pro forma adjustments giving effect to any acquisition, disposition or investment, as applicable, since the start of such period, (ii) for any "extraordinary items" of gain or loss as that term is defined by generally accepted account principles in the United States, and (iii) with respect to determining the Company's EBITDA, to add back the cash salary and cash benefits **("Compensation")** of the Company's CEO, Donald Douglas Burkhalter **("Burkhalter"),** and CIO, Hadley Ford **("Ford"),** and any cash fees paid to Techas Capital LCC or any of its affiliates (the **"Addback").** Such Addback as it pertains to each of Burkhalter's and Ford's Compensation will not be included in the Addback if Burkhalter or Ford becomes an employee of the Schwazze Investor after the Buy-Out Option is exercised with substantially the same responsibilities they had as CEO and CIO, respectively, of the Company.

e. **"Company Value"** means for each Testing Period, the gross revenue generated from wholesale sales of the Company's products.

f. **"Fully Diluted Shares"** means the total number of issued and outstanding shares of all classes of the Company's stock, including all issued options, warrants and other securities convertible into shares of the Company's stock, whether vested or subject to vesting.

g. **"Mutual Nondisclosure Agreement"** means the Mutual Non-Disclosure and Non-Circumvention Agreement dated as of February 1, 2021 by and between Schwazze and the Company, as amended by that certain First Amendment dated as of February 1, 2022.

h. **"Products"** means the Company's current and future products, currently comprised of flower and gummies.

i. **"Schwazze EBITDA Multiple"** means, as of the date of determination, (i) Schwazze Levered Market Cap divided by (ii) Schwazze LTM EBITDA.

j. **"Schwazze LTM EBITDA"** for the 12-month period immediately preceding the date on which Schwazze provides notice to the Company of its election to exercise the Buy-Out Option, net income, plus income taxes, plus interest expense, plus depreciation, plus amortization, as adjusted (i) for such pro forma adjustments giving effect to any acquisition, disposition or investment, as applicable, since the start of such period, (ii) for any "extraordinary items" of gain or loss as that term is defined by generally accepted account principles in the United States..

k. **"Schwazze Levered Market Cap"** means, as of the date of determination, Schwazze's total net debt plus its equity market capitalization based on the 30-day variable weighted average closing price of Schwazze Stock, measured from the date on which Schwazze provides notice to the Company of its election to exercise the Buy-Out Option.

l. **"Schwazze Multiple"** means the greater of (i) 8.0 or (ii) 60% of the Schwazze EBITDA Multiple.

m. **"Schwazze Ownership Percentage"** means for each Testing Period, Schwazze Value divided by Company Value.

n. **"Schwazze Stock"** means the common stock of Schwazze that trades on the OTCQX or any successor exchange.

o. **"Schwazze Value"** means, (i) with respect to Testing Period One, the aggregate amount of wholesale revenue generated to Mission from sales of the Products to Schwazze during Testing Period One (the **"Testing Period One Revenue"**) multiplied 20%, (ii) with respect to Testing Period Two, the aggregate amount of wholesale revenue generated to Mission from sales

of the Products to Schwazze during Testing Period Two (the **"Testing Period Two Revenue"**) minus the Testing Period One Revenue, multiplied by 20% and (iii) with respect to Testing Period Three, the aggregate amount of wholesale revenue generated to Mission from sales of the Products to Schwazze during Testing Period Three minus the Testing Period Two Revenue, multiplied by 20%.

p. **"State"** means the specific state in which an Approved Product is sold.

q. **"Stores"** means Schwazze's retail stores located in the Territory, including as accessed through Internet websites to the extent such websites facilitate pickup or delivery of Products from such retail stores.

r. **"Term"** means the period commencing on the Effective Date and ending on the thirty-six (36) month anniversary of the Effective Date.

s. **"Territory"** means the states of Colorado and New Mexico.

t. **"Testing Period"** means each of Testing Period One, Testing Period Two and Testing Period Three.

u. **"Testing Period One"** means the period commencing on the Effective Date and ending on the twelve (12) month anniversary of the Effective Date.

v. **"Testing Period Two"** means the period commencing on the day following the expiration of Testing Period One and ending on the twenty-four (24) month anniversary of the Effective Date.

w. **"Testing Period Three"** means the period commencing on the day following the expiration of Testing Period Two and ending on the thirty-six (36) month anniversary of the Effective Date.

2. Product Placement

a. During the Term, the Company will receive non-exclusive rights to distribute to the Stores Products within each Brand Category and Schwazze will cause the Stores to carry such Products; *provided, however,* that Schwazze has the right to approve all Products and each Brand Category for distribution within the Stores (**"Approved Products"**) and Schwazze may reject Products and each Brand Category if, in Schwazze's sole but reasonable discretion, there are quality issues with such Products or each Brand Category or such Products or Brand Category are inconsistent with Schwazze's category strategy. The Company will not have any obligation to pay slotting fees for Approved Products.

b. The Parties will cooperate in good faith during the Term to develop, launch and carry Products, on terms mutually agreeable to the Parties, that are consistent with the Parties' collective strategy, as such strategy may be further defined and evolve during the project management process described and set forth in Section 3 below.

c. During the Term, the Parties agree as follows:

i. Schwazze will provide prime locations for Approved Products within the Stores in the same general area as other products within the applicable Brand Category, as determined by Schwazze in its sole but reasonable discretion;

ii. For approved Brand Categories offered by the Company, Schwazze will provide shelf placement (i.e., SKU facings) or carriage of Mission products in a Store that uses the number of Mission SKUs as a guideline. For instance, if Mission has ten (10) Approved Products in the gummy Brand Category, those Approved Products will be given ten (10) SKU facings within the gummy category in the Stores. Parties acknowledge Stores could have differing customer preferences, and therefore, final SKU decisions will be made at each Store location. ;

iii. The Company will provide all Approved Products to Schwazze at "most favored nation" pricing that is equal to or less than the lowest Everyday Price that the Company has made such Approved Products available to any other retailer within the State during the previous three (3) month period of time. The price to Schwazze Stores shall not include in the calculation of such price any off-invoice promotions, trade promotions, introductory promotions, and other discounts unless such promotions are consistently used with the Company's other retailers (the **"Everyday Price"**). Schwazze shall have the right to audit the Company's sales of Approved Products to other retailers within the applicable State from time to time during the Term, and, in the event of such an audit, the Company shall (and shall cause its affiliates and representatives to) provide full access to the Company's books, records and personnel to the extent necessary for Schwazze to conduct such audit. If any such audit reveals a violation of this Section 2(c)(iii) by the Company, the Company shall promptly refund to Schwazze an amount equal to the difference between the amount that Schwazze would have paid for such Approved Products had the Company not violated this provision and the amount that Schwazze actually paid for such Approved Products and, in addition to the foregoing, the Company shall reimburse Schwazze for any and all out-of-pocket costs and expenses incurred by Schwazze in connection with such audit;

iv. Approved Products sold through the Stores must meet minimum revenue targets to be mutually agreed to by the Parties during the Quarterly Review;

v. The Company will provide the same level of marketing support for Approved Products as the Company provides to other retailers in the State, including without limitation: staff training, coupons, rebates, discounts, sampling, and other promotional and marketing programs to be approved by Schwazze in its sole, but reasonable, discretion;

vi. The Company shall have the right, but not the obligation, to develop a quarterly consumer promotion in the Stores with in-store marketing collateral (such as signage, point-of-presence and displays) to be approved by Schwazze in its sole, but reasonable, discretion;

vii. The Parties will enter into a mutually acceptable supply agreement for the Approved Products; and

viii. If during the Quarterly Review, either Party identifies an item within section 2(c) for discussion, the Parties agree to work in good faith to determine an adjustment(s) to which the Parties mutually agree. If an adjustment is defined by the Parties, each Party shall have 30 days to make such adjustment.

d. During the Term, the Parties will work collaboratively to apply Sections 2.c.i- viii. to any future Schwazze distribution channels (e.g., retail stores and omnichannel assets) in States outside of the Territory where Schwazze is operating. The Parties acknowledge and agree that any extension into such new States will depend on numerous regulatory and business considerations, and Schwazze does not represent, warrant, covenant or guarantee that Company's Products will be carried in any States outside of the Territory.

e. During the Term, the Company shall comply in all respects with Schwazze's procedures and requirements as communicated in writing, or which may be communicated in writing, to the Company from time to time regarding the introduction, placement, promotion, pricing and logistics for new, on-going and discontinued Approved Products.

f. During the Term, Schwazze will: (i) subject to Section 2.a., give good faith consideration to testing and/or launching any new Products presented by the Company; and (ii) provide the Company with access to Schwazze's dedicated Account Manager and provide the Company with monthly sales reports for each Approved Product SKU, by Store (if requested by the Company), and by relevant Brand Category. The Company shall, with respect to any information provided under this subsection f., comply with the terms of the Mutual Nondisclosure Agreement.

3. Project Management. Each Party will provide an employee (**"Account Manager"**) focused on the Parties' brand collaboration agreement, with the goal of developing, launching, carrying and distributing Approved Products that fit the Parties' mutually agreed business strategies. It is the intent of the Parties that each Party's Account Manager will collaborate in good faith with the other Party's Account Manager to address issues and resolve concerns and disputes in a manner that is consistent with the Parties' status as business collaborators. Each Party will use reasonable efforts to cause its Account Manager to meet via teleconference, video conference or in person at least once per quarter (each quarter defined as successive 3-month periods following the Effective Date) to (a) discuss product performance, marketing plans, merchandise strategy and any other relevant matters, (b) address any outstanding issues or disputes between the Parties, and (c) discuss any other business between the Parties relating to their collaboration hereunder. (the **"Quarterly Review"**).

4. Licenses.

a. The Company hereby grants to Schwazze a limited, non-exclusive, royalty-free, sublicenseable (but only to Affiliates of Schwazze), non-assignable license during the Term to use Company's trademarks, trade names, service marks, logos, works of authorship and copyrights (whether or not registered) (collectively, **"Marks"**) in connection with the performance of Schwazze's obligations hereunder, including the sale, distribution, marketing and promotion of Approved Products.

b. Schwazze hereby grants to the Company a limited, non-exclusive, royalty-free, sublicenseable (but only for the purposes described in this subsection b.), non-assignable license during the Term to use Schwazze's Marks associated with its Store names (currently, Star Buds, Emerald Fields and R. Greenleaf), and any Marks associated with future Store names acquired or opened during the Term, on the Company's website and, upon Schwazze's prior written approval in each instance (which approval will not be unreasonably withheld), on such other marketing and promotional collateral developed by the Company in connection with the sale, distribution, marketing and promotion of Approved Products (including to communicate to customers and potential customers that Approved Products are available at the Stores).

c. In connection with the foregoing license grants contemplated by paragraphs (a) and (b) of this Section 4, each Party will comply with the other Party's brand and/or marketing guidelines as may be communicated to such Party from time to time. In the event either Party objects to the other Party's use of a Party's Marks, the objecting Party will notify the other Party in writing of such objection, and the other Party shall have five (5) business days to, at the objecting Party's sole option and discretion, either modify its use of the objecting Party's Marks to the objecting Party's reasonable satisfaction or cease such use of the objecting Party's Marks.

5. Compensation to Schwazze.

a. Option. Concurrently with the execution of this Agreement, the Company shall issue to Schwazze an option to purchase five and one-half percent (5.5%) of the Fully Diluted Shares of common stock of the Company with a term of eighteen (18) months and an aggregate exercise price of $1,000,000, in the form attached hereto as Exhibit A.

b. Convertible Preferred Stock. Prior to the execution of this Agreement, the Company issued convertible preferred stock of the Company in exchange for two million dollars ($2,000,000) from Schwazze, pursuant to the terms of that certain Preferred Stock Purchase Agreement dated as of May 20, 2022.

c. Earn-In. Upon the expiration of each Testing Period, the Company shall issue to Schwazze warrants, in the form attached hereto as Exhibit B, granting Schwazze the right to acquire shares of the Company's common stock in an amount equal to: (i) the Schwazze Ownership Percentage during such Testing Period multiplied by (ii) the Fully Diluted Shares then outstanding divided by (iii) the total of 100% minus the Schwazze Ownership Percentage; provided, however that the maximum number of shares of the Company's stock that Schwazze may acquire pursuant to such warrants over time shall not exceed 20% of the total Fully Diluted Shares.

i. For example, if Mission products have $10,000,000 of total wholesale revenue and Mission has 10,000,000 Fully Diluted Shares and generates $1,000,000 of wholesale revenue to Mission through Schwazze channels then:
    1. Schwazze Value = $1,000,000 * 20% = $200,000
    2. Mission Value = $10,000,000
    3. Schwazze Ownership % = $200,000 / $10,000,000 = 2%
    4. Warrants issued = 2% * 10,000,000 / 98% = 204,081 warrants

ii. Such warrants shall be vested 12 months after issuance only if in the subsequent 12-month period to a Testing Period revenue to Mission through Schwazze channels are no less than 80% of the revenue to Mission through Schwazze channels during the original Testing Period; otherwise the warrants will terminate The reduction in revenue cannot occur as a direct result of the action or inaction of Mission (e.g., reduction in supply from Mission to Schwazze, recall, etc). In the event Schwazze exercises the Buy-Out Option all outstanding warrants will vest.

6. Representations and Warranties of the Company.

The Company represents and warrants that:

a. It has all necessary approvals from its shareholders and board of directors to timely fulfill its obligations under this Agreement.

b. The Company's capitalization table attached as Exhibit C is current and accurate as of the date hereof.

c. The Company owns or licenses with the right to sublicense to Schwazze and its permitted sublicensees all Marks, patents, know-how and other intellectual property rights associated with all Approved Products. None of the Approved Products will infringe or misappropriate the rights of any third party, including without limitation any intellectual property rights, rights of privacy or rights of publicity.

d. All of the Approved Products are safe for use as advertised and labeled and comply with all applicable laws and regulations in the State applicable to such products.

e. As of the Effective Date, the Company has no actual or constructive knowledge of: (i) any defect in any Product or packaging for any Product, (ii) any pending official investigation into, or public or private enforcement or damages action concerning, the safety of one or more of Company's Products (the foregoing collectively, **"Covered Products"**), (iii) the settlement of any such investigation or action (including through settlements not involving any admission of fault or wrongdoing), (iv) any judgment or order of any court or official agency finding that any Covered Products are or have been unsafe or harmful to humans, (v) any voluntary or involuntary recall of any Covered Products, or (vi) any negative public statement made by Company concerning the safety of any Covered Products (each of the foregoing, a **"Safety Incident"**).

f. The Company will notify Schwazze within five (5) business days of gaining actual or constructive knowledge of any Safety Incident (and occurrence of any Safety Incident affecting any Products during the Term shall constitute a breach of this Agreement giving rise to rights of termination and indemnification in favor of Schwazze).

7. Indemnification. The Company shall indemnify, hold harmless and defend Schwazze and its affiliates and its and their officers, directors, managers, members, agents and representatives from and against all demands, claims (whether or not involving litigation), actions, proceedings, damages, liabilities, losses, fees, costs or expenses (including without limitation reasonable attorney's fees and the costs of any investigation), arising from or relating to: (a) breaches or inaccuracies of the representations and warranties of the Company contained in Section 7 of this Agreement; (b) the Company's failure to perform any of its obligations under this Agreement; (c) property damage, personal injury or death caused by the Products (including any product defect or product liability claim arising out of any Product); (d) any allegation that the Products infringe on the intellectual property rights of any third party; or (e) the Company's failure to fully conform to all applicable law which affects the Products.

8. Non-Performance. If either Party materially breaches any one or more of the terms of this Agreement and fails to cure any such breach within ten (10)_days in the case of a monetary breach or within thirty (30) days in the case of a non-monetary breach after receiving notice thereof from the non-breaching Party, the Parties shall discuss in good faith for a period of no less than thirty (30) days equitable compensation for such breach and if a mutual agreement thereon cannot be reached within such period, such dispute shall be settled by binding arbitration administered by JAMS, before a single arbitrator chosen in accordance with the rules of JAMS, and the arbitrator's determination of such issue shall be final and binding upon the Parties. Such arbitration may be initiated by the Parties, or either of them, within ten (10) days after either Party sends written notice **("Arbitration Notice")** of a demand to arbitrate by registered or certified mail to the other Party and to JAMS. The Arbitration Notice shall contain a description of the subject matter of the arbitration, the dispute with respect thereto, the amount involved, if any, and the remedy or determination sought. If the Parties are unable to agree on an arbitrator, an arbitrator will be selected in accordance with JAMS rules.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction).

10. Waiver/Amendment. This Agreement and any provisions hereof may only be amended, modified or supplemented by an agreement in writing signed by the Parties. This Agreement and any provisions hereof may be waived only by an instrument in writing signed by the Party against which an enforcement of the same is sought.

11. Survival. In the event that any provision of this Agreement is adjudged to be invalid or unenforceable, the duly selected arbitrator may sever or amend such provision as necessary and appropriate to carry out the intention of the parties (as determined by such arbitrator) and the remainder hereof shall remain in full force and effect.

12. Entire Agreement. This Agreement constitutes the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Brand Partnership Agreement as of the day and year first above written.

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Donald Douglas Burkhalter
Donald Douglas Burkhalter
Chief Executive Officer

SCHWAZZE:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

EXHIBIT A

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement") is made as of August 23, 2022, by and between MISSION HOLDINGS US, INC., a Colorado corporation (the "Company"), and MEDICINE MAN TECHNOLOGIES, INC. (D/B/A SCHWAZZE), a Nevada corporation ("Schwazze").

RECITALS:

WHEREAS, concurrently with the execution of this Agreement, the Company and Schwazze have executed and entered into that certain Brand Partnership Agreement dated as of the date hereof (the "Brand Partnership Agreement").

WHEREAS, pursuant to Section 5.a. of the Brand Partnership Agreement, the Company has agreed to grant to Schwazze an option to acquire a number of shares of common stock, $.0001 par value, of the Company ("Common Stock") pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grant of Option. The Company hereby grants to Schwazze the option (the "Option") to purchase 581,429 shares of Common Stock (the "Option Shares") for the Option Price and subject to all the terms and conditions set forth in this Agreement.

2. Option Price. Upon the exercise of the Option, the price to be paid by Schwazze for the purchase of all of the Option Shares is $1,000,000.00 in total (the "Option Price").

3. Exercise Period. The Option may be exercised by Schwazze at any time within eighteen (18) months from the date of this Agreement (the "Option Period"). The exercise of the Option may only be exercised for all, but not less than all, of the Option Shares and after payment in full of the Option Price by wire transfer to an account designated by the Company.

4. Exercise of Option. The Option may be exercised by Schwazze by delivering written notice to the Company (the "Option Notice") at any time prior to the expiration of the Option Period. The Option Notice shall state the closing date, which date shall be no less than ten (10) days nor more than thirty (30) days from the date of the Option Notice (the "Closing Date").

5. Closing. The closing on the purchase of the Option Shares shall take place at the Company's offices on the Closing Date or such other place mutually agreeable to by the parties. At the closing, (a) Schwazze shall pay the Option Price to the Company by wire transfer to an account designated by the Company, and (b) upon receipt by the Company of such funds, the Company shall deliver a stock certificate evidencing ownership of the Option Shares.

6. Certain Adjustments. If the Company (i) pays a dividend in shares of Common Stock or makes a distribution in shares of Common Stock, (ii) subdivides (by any stock split, recapitalization or otherwise) its outstanding shares of Common Stock into a greater number of shares, (iii) combines (by combination, reverse stock split or otherwise) its outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (iv) by reclassification (other than a change in par value or from par value to no par value or as a result of a stock dividend or subdivision, split-up or combination of shares), reorganization, consolidation or merger of the Company with or into another person or other similar transaction, issues other securities of the Company to all holders of Common Stock, the number of Option Shares purchasable upon exercise of this Option and the Option Price shall be adjusted so that Schwazze shall be entitled to receive the kind and number of shares of Common Stock or other securities of the Company which Schwazze would have owned or have been entitled to receive if this Option had been exercised immediately prior to any such event or any record date with respect thereto. An adjustment made pursuant to this paragraph shall become effective immediately after the effective date of such event, retroactive to the record date, if any, for such event, and prompt written notice thereof shall be given to Schwazze.

7. Representations, Warranties and Covenants of the Company. The Company hereby represents, warrants, covenants and agrees as follows:

(a) All of the Option Shares, if and when purchased by and delivered to Schwazze, pursuant to this Agreement, shall be duly issued, fully paid and non-assessable, and the Company has (and will retain) full power and authority to transfer any or all of the Option Shares to Schwazze upon the exercise of the Option granted hereunder, free and clear of any and all liens, encumbrances, claims, liabilities and restrictions except those restrictions created under this Agreement.

(b) The Option Shares correctly reflect the option to acquire additional equity of the Company as contemplated in Section 6(a)(iii) of that certain Memo of Understanding, dated May 13, 2021, among the Company, Schwazze and the Emerald Companies (as defined therein).

(c) The Company is a corporation, duly incorporated and validly existing under the laws of the State of Colorado and shall maintain in good standing, its status as a corporation thereunder.

8. Representations and Warranties Regarding Unregistered Shares.

(a) THE OPTION AND THE OPTION SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR ASSIGNED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SHARES IS EFFECTIVE UNDER THE SECURITIES ACT AND IS QUALIFIED UNDER APPLICABLE STATE AND FOREIGN LAW OR (II) THE TRANSACTION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS UNDER THE SECURITIES ACT AND THE QUALIFICATION REQUIREMENTS UNDER APPLICABLE STATE AND FOREIGN LAW AND, IF THE

CORPORATION REQUESTS, AN OPINION SATISFACTORY TO THE CORPORATION TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL.

(b) Schwazze hereby warrants, represents, agrees and acknowledges that: (i) it is an "accredited investor" within the meaning of regulation D promulgated under the Securities Act; (ii) if the Option is exercised, it is acquiring the Option Shares for its own account as a long-term investment and without a present view to make any distribution, resale or fractionalization thereof; (iii) it and its independent counselors have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the investment involved in the acquisition of the Option Shares and they have evaluated the same; (iv) it is able to bear the economic risks of such investment; (v) it and its independent counselors have made such investigation of the Company (including its business prospects and financial condition), have had access to all information regarding the Company, and have had an opportunity to ask all of the questions regarding the Company and the Option Shares as they deem necessary to fully evaluate its investment in the Company; and (vi) it understands that if the Option is exercised, (A) the Option Shares are not, and will not be, registered under the Securities Act or any state securities law, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of its representations herein, (B) the Option Shares acquired by it are "restricted securities" under the Securities Act and state securities laws and that, pursuant to these laws, it must hold the Option Shares indefinitely unless they are registered under the Securities Act and qualified by state authorities or an exemption from such registration and qualification requirements is available (evidence of which must be satisfactory to counsel for the Company), (C) there is no market for the Option Shares, and such Shares cannot be expected to be readily transferred or liquidated; and (D) its acquisition of Option Shares involves a high degree of risk.

9. Stockholders Agreement.

(a) THE OPTION AND THE OPTION SHARES ARE SUBJECT TO A STOCKHOLDERS AGREEMENT, DATED AS OF MAY 20, 2022, BY AND AMONG THE COMPANY AND THE STOCKHOLDERS OF THE COMPANY THERETO (AS AMENDED FROM TIME TO TIME, THE "STOCKHOLDERS AGREEMENT"). NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE OPTION SHARES MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THE STOCKHOLDERS AGREEMENT. A COPY OF THE STOCKHOLDERS AGREEMENT SHALL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON REQUEST.

(b) In the event Schwazze exercises the Option, it will be required to become a party to the Stockholders' Agreement by executing the Joinder Agreement attached thereto as an exhibit.

10. Other Actions. Each of the parties hereto agrees to execute and deliver such documents, certificates, instruments and agreements and to take such other actions as may be necessary or desirable in order to consummate the transactions contemplated by this Agreement or execute the terms of this Agreement.

11. Binding Effect; Non-Assignable. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns, as the case may be, with the same force and effect specifically mentioned in each instance where a party hereto is named. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto, and their respective successors and permitted assigns, any rights or obligations under or by reason of this Agreement. Notwithstanding anything to the contrary contained herein, neither the Option nor any of the rights or obligations under this Agreement may not be assigned or transferred.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Colorado..

13. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in the state or federal courts of the United States of America located in Denver County, Colorado, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by certified or registered mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

14. Entire Agreement; Amendments. This Agreement contains the entire Agreement between the parties as to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between this Agreement and the Brand Partnership Agreement, the terms of this Agreement shall control. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto.

15. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given upon the earlier of actual receipt, or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. Such communications must be sent to the respective parties at the e-mail address and location address indicated below (or at such other e-mail address or location address for a party as shall be specified in a notice given in accordance with this Section 15).

If to the Company: 1880 S. Flatiron Court, Suite E
Boulder, Colorado 80301
E-mail: dburkhalter@missionholdings.us
Attention: Doug Burkhalter

with a copy to:	Berger, Cohen & Brandt, LC 8000 Maryland Ave., Suite 1500 Clayton, Missouri 63105 E-mail: dspewak@bcblawlc.com Attention: David S. Spewak, Esq.
If to the Holder:	Medicine Man Technologies, Inc. (d/b/a Schwazze) 4880 Havana Street, Suite 201 Denver, Colorado 80239 Email: dan@schwazze.com sarah.guthrie@schwazze.com Attn: Dan Pabon, General Counsel Sarah Guthrie, Securities Counsel
with a copy to:	Brownstein Hyatt Farber Schreck, LLP 410 17th Street, Suite 2200 Denver, Colorado 80202 Email: AAgron@BHFS.com JKnetsch@BHFS.com RLunberg@BHFS.com Attn: Adam Agron Jeff Knetsch Rikard Lundberg

16. Prevailing Party Fees. In the event of a dispute with respect to the provisions of this Agreement and in addition to all other remedies, the non-prevailing party shall indemnify, protect and hold harmless the prevailing party from and shall pay the prevailing party's costs and expenses (including without limitation reasonable attorneys' fees, court costs and/or costs of arbitration) incurred by the prevailing party in enforcing any of the provisions of this Agreement.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

18 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

19. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

20. No Strict Construction. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Donald Douglas Burkhalter
Donald Douglas Burkhalter
Chief Executive Officer

SCHWAZZE:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

EXHIBIT B

FORM OF PENNY WARRANT

WARRANT

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR ASSIGNED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SHARES IS EFFECTIVE UNDER THE SECURITIES ACT AND IS QUALIFIED UNDER APPLICABLE STATE AND FOREIGN LAW OR (II) THE TRANSACTION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS UNDER THE SECURITIES ACT AND THE QUALIFICATION REQUIREMENTS UNDER APPLICABLE STATE AND FOREIGN LAW AND, IF THE CORPORATION REQUESTS, AN OPINION SATISFACTORY TO THE CORPORATION TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL.

THIS WARRANT (AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT) IS SUBJECT TO A STOCKHOLDERS AGREEMENT, DATED AS OF MAY 20, 2022, BY AND AMONG MISSION HOLDINGS US, INC. (THE **"COMPANY"**) AND THE STOCKHOLDERS OF THE COMPANY THERETO (AS AMENDED FROM TIME TO TIME, THE **"STOCKHOLDERS AGREEMENT"**). NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE SECURITIES REPRESENTED BY THIS WARRANT MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THE STOCKHOLDERS AGREEMENT. A COPY OF THE STOCKHOLDERS AGREEMENT SHALL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON REQUEST.

Warrant Certificate No.: [___]

Original Issue Date: [_____], 202[_]

FOR VALUE RECEIVED, Mission Holdings US, Inc., a Colorado corporation (the **"Company"**), hereby certifies that Medicine Man Technologies, Inc. (d/b/a Schwazze), a Nevada corporation, or its registered assigns (the **"Holder"**), is entitled to purchase from the Company, subject to the Warrant Cap, [_____][1] duly authorized, validly issued, fully paid and non-assessable shares of Common Stock at a purchase price per share of $0.01 (the **"Exercise Price"**), all subject to the terms, conditions and adjustments set forth below in this Warrant. Certain capitalized terms used herein are defined in Section 1 hereof.

[1] For each Testing Period (as defined under the Brand Agreement), the number of warrants to be issued will be determined after the expiration of such Testing Period and in accordance with Section 5.c. of the Brand Agreement.

This Warrant has been issued pursuant to the terms and conditions of Section 5.c. of that certain Brand Partnership Agreement, dated as of August 23, 2022 by and between the Company and the Holder (the **"Brand Agreement"**). Notwithstanding anything contained herein to the contrary, Holder shall not have the right to purchase any Warrant Shares to the extent that any Warrant Shares purchased hereunder, together with the aggregate number of any Warrant Shares purchased by Holder under any other Warrant Certificates issued pursuant to the Brand Agreement, exceeds twenty percent (20%) of the total Fully Diluted Shares (defined below) (the **"Warrant Cap"**).

1. Definitions. As used in this Warrant, the following terms have the respective meanings set forth below:

"Aggregate Exercise Price" means an amount equal to the product of (a) the number of Warrant Shares in respect of which this Warrant is then being exercised pursuant to Section 3 hereof, *multiplied by* (b) the Exercise Price.

"Board" means the board of directors of the Company.

"Brand Agreement" has the meaning set forth in the preamble.

"Business Day" means any day, except a Saturday, Sunday or legal holiday, on which banking institutions in the city of Denver, Colorado are authorized or obligated by law or executive order to close.

"Common Stock" means the common stock, $.0001 par value per share, of the Company, and any capital stock into which such Common Stock shall have been converted, exchanged or reclassified following the date hereof.

"Company" has the meaning set forth in the preamble.

"Convertible Securities" means any securities (directly or indirectly) convertible into or exchangeable for Common Stock, but excluding Options.

"Excluded Issuances" means any issuance or sale by the Company after the Original Issue Date of: (a) shares of Common Stock issued upon the exercise of this Warrant; (b) shares of Common Stock (as such number of shares is equitably adjusted for subsequent stock splits, stock combinations, stock dividends and recapitalizations) issued directly or upon the exercise of Options to directors, officers, employees, or consultants of the Company in connection with their service as directors of the Company, their employment by the Company or their retention as consultants by the Company, in each case authorized by the Board and issued pursuant to the Company's Mission 2021 Equity Incentive Plan (including all such shares of Common Stock and Options outstanding prior to the Original Issue Date); (c) shares of Common Stock issued upon the conversion or exercise of Options (other than Options covered by clause (b) above) or Convertible Securities issued prior to the Original Issue Date, *provided* that such securities are not amended after the date hereof to increase the number of shares of Common Stock issuable thereunder or to lower the exercise or conversion price thereof; (d) shares of Common Stock, Options or Convertible Securities issued (i) to persons in connection with a joint venture, strategic alliance or other commercial relationship with such person (including persons that are customers,

suppliers and strategic partners of the Company) relating to the operation of the Company's business and not for the primary purpose of raising equity capital, (ii) to the lessor or vendor in any office lease or equipment lease or similar equipment financing transaction in which the Company obtains the use of such office space or equipment for its business, (iii) in connection with a transaction in which the Company, directly or indirectly, acquires another business or its tangible or intangible assets, or (iv) to lenders as equity kickers in connection with debt financings of the Company, in each case where such transactions have been approved by the Board; or (e) shares of Common Stock in an offering for cash for the account of the Company that is underwritten on a firm commitment basis and is registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended.

"Exercise Date" means, for any given exercise of this Warrant, the date on which the conditions to such exercise as set forth in Section 3 shall have been satisfied at or prior to 5:00 p.m., Denver, Colorado time, on a Business Day, including, without limitation, the receipt by the Company of the Exercise Notice, the Warrant and the Aggregate Exercise Price.

"Exercise Notice" has the meaning set forth in Section 3(a)(i).

"Exercise Period" has the meaning set forth in Section 2.

"Exercise Price" has the meaning set forth in the preamble.

"Fair Market Value" means, as of any particular date: (a) the volume weighted average of the closing sales prices of the Common Stock for such day on all domestic securities exchanges on which the Common Stock may at the time be listed; (b) if there have been no sales of the Common Stock on any such exchange on any such day, the average of the highest bid and lowest asked prices for the Common Stock on all such exchanges at the end of such day; (c) if on any such day the Common Stock is not listed on a domestic securities exchange, the closing sales price of the Common Stock as quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association for such day; or (d) if there have been no sales of the Common Stock on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association on such day, the average of the highest bid and lowest asked prices for the Common Stock quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association at the end of such day; in each case, averaged over twenty (20) consecutive Business Days ending on the Business Day immediately prior to the day as of which "Fair Market Value" is being determined; provided, that if the Common Stock is listed on any domestic securities exchange, the term "Business Day" as used in this sentence means Business Days on which such exchange is open for trading. If at any time the Common Stock is not listed on any domestic securities exchange or quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association, the "Fair Market Value" of the Common Stock shall be the fair market value per share as determined by the Board in good faith, which determination shall be final and conclusive.

"Fully Diluted Shares" means the total number of issued and outstanding shares of all classes of the Company's stock, including all issued options, warrants and other securities convertible into shares of the Company's stock, whether vested or subject to vesting.

"Holder" has the meaning set forth in the preamble.

"Nasdaq" means The NASDAQ Stock Market LLC.

"Options" means any warrants or other rights or options to subscribe for or purchase Common Stock or Convertible Securities.

"Original Issue Date" means the Original Issue Date set forth in the preamble, which is the date on which the Warrant was issued by the Company pursuant to the Brand Agreement.

"OTC Bulletin Board" means the Financial Industry Regulatory Authority OTC Bulletin Board electronic inter-dealer quotation system.

"Person" means any individual, sole proprietorship, partnership, limited liability company, corporation, joint venture, trust, incorporated organization or government or department or agency thereof.

"Pink OTC Markets" means the OTC Markets Group Inc. electronic inter-dealer quotation system, including OTCQX, OTCQB and OTC Pink.

"Warrant" means this Warrant and all warrants issued upon division or combination of, or in substitution for, this Warrant.

"Warrant Shares" means the shares of Common Stock or other capital stock of the Company then purchasable upon exercise of this Warrant in accordance with the terms of this Warrant.

2. Term of Warrant; Vesting Terms.

(a) Subject to the terms and conditions hereof (including, without limitation, the satisfaction of the Vesting Condition (defined below)), at any time or from time to time after the expiration of the Vesting Period and prior to 5:00 p.m., Denver, Colorado time, on the second (2nd) anniversary of the date thereof, or, if such day is not a Business Day, on the next preceding Business Day (the **"Exercise Period"),** the Holder of this Warrant may exercise this Warrant for all or any part of the Warrant Shares purchasable hereunder (subject to adjustment as provided herein). The Company shall give the Holder written notice of the expiration of the Exercise Period not less than ten (10) days, but not more than sixty (60) days, prior to the end of the Exercise Period.

(b) Holder shall not have the right to exercise this Warrant for all or any part of the Warrant Shares until the first (1st) anniversary of the date hereof (the **"Vesting Period").** Thereafter, Holder shall have the right to exercise this Warrant for all or any part of the Warrant Shares only if the revenue generated by the Company through Holder's channels (the **"Vesting Period Revenue")** during the Vesting Period is more than eighty percent (80%) of the revenue generated by the Company through Holder's channels during the Testing Period (as defined in the Brand Agreement) applicable to the issuance of this Warrant (the **"Vesting Condition"),** all as determined in accordance with Section 5.c. of

the Brand Agreement; provided, however, to the extent any such reduction in Vesting Period Revenue occurs as a direct result of the action or inaction of the Company (e.g., reduction in supply from Mission to Schwazze, recall, etc.), such reduction shall not be included in the aforementioned calculation for determining the satisfaction of the Vesting Condition. If the Vesting Condition is not satisfied, then this Warrant and the Holder's right to exercise this Warrant for all or any part of the Warrant Shares shall terminate in all respects and for all purposes. Notwithstanding the foregoing, if Holder exercises the Buy-Out Option (as defined in the Brand Agreement), Holder's right to exercise this Warrant for all or any part of the Warrant Shares shall automatically vest.

3. Exercise of Warrant.

(a) **Exercise Procedure.** Following the expiration of the Vesting Period and upon the satisfaction of the Vesting Condition, this Warrant may be exercised from time to time on any Business Day during the Exercise Period, for all or any part of the unexercised Warrant Shares, upon:

(i) surrender of this Warrant to the Company at its then principal executive offices (or an indemnification undertaking with respect to this Warrant in the case of its loss, theft or destruction), together with a Notice of Exercise in the form attached hereto as **Exhibit A** (each, an **"Exercise Notice"),** duly completed (including specifying the number of Warrant Shares to be purchased) and executed; and

(ii) payment to the Company of the Aggregate Exercise Price in accordance with Section 3(b).

(b) **Payment of the Aggregate Exercise Price.** Payment of the Aggregate Exercise Price shall be made, at the option of the Holder as expressed in the Exercise Notice, by the following methods:

(i) by delivery to the Company of a certified or official bank check payable to the order of the Company or by wire transfer of immediately available funds to an account designated in writing by the Company, in the amount of such Aggregate Exercise Price; or

(ii) by instructing the Company to withhold a number of Warrant Shares then issuable upon exercise of this Warrant with an aggregate Fair Market Value as of the Exercise Date equal to such Aggregate Exercise Price.

In the event of any withholding of Warrant Shares pursuant to clause (ii) above where the number of shares whose value is equal to the Aggregate Exercise Price is not a whole number, the number of shares withheld by or surrendered to the Company shall be rounded up to the nearest whole share and the Company shall make a cash payment to the Holder (by delivery of a certified or official bank check or by wire transfer of immediately available funds) based on the incremental fraction of a share being so withheld by or surrendered to the Company in an amount equal to the product of (x) such incremental

fraction of a share being so withheld or surrendered multiplied by (y) the Fair Market Value per Warrant Share as of the Exercise Date.

(c) **Delivery of Stock Certificates**. Upon receipt by the Company of the Exercise Notice, surrender of this Warrant and payment of the Aggregate Exercise Price (in accordance with Section 3(a) hereof), the Company shall, as promptly as practicable, and in any event within fifteen (15) Business Days thereafter, execute (or cause to be executed) and deliver (or cause to be delivered) to the Holder a certificate or certificates representing the Warrant Shares issuable upon such exercise, together with cash in lieu of any fraction of a share, as provided in Section 3(d) hereof. The stock certificate or certificates so delivered shall be, to the extent possible, in such denomination or denominations as the exercising Holder shall reasonably request in the Exercise Notice and shall be registered in the name of the Holder or, subject to compliance with Section 7 below, such other Person's name as shall be designated in the Exercise Notice. This Warrant shall be deemed to have been exercised and such certificate or certificates of Warrant Shares shall be deemed to have been issued, and the Holder or any other Person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Shares for all purposes, as of the Exercise Date.

(d) **Fractional Shares**. The Company shall not be required to issue a fractional Warrant Share upon exercise of any Warrant. As to any fraction of a Warrant Share that the Holder would otherwise be entitled to purchase upon such exercise, the Company shall pay to such Holder an amount in cash (by delivery of a certified or official bank check or by wire transfer of immediately available funds) equal to the product of (i) such fraction multiplied by (ii) the Fair Market Value of one Warrant Share on the Exercise Date.

(e) **Delivery of New Warrant**. Unless the purchase rights represented by this Warrant shall have expired or shall have been fully exercised, the Company shall, at the time of delivery of the certificate or certificates representing the Warrant Shares being issued in accordance with Section 3(c) hereof, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unexpired and unexercised Warrant Shares called for by this Warrant. Such new Warrant shall in all other respects be identical to this Warrant.

(f) **Valid Issuance of Warrant and Warrant Shares; Payment of Taxes**. With respect to the exercise of this warrant, the Company hereby represents, covenants and agrees:

(i) This Warrant is, and any Warrant issued in substitution for or replacement of this Warrant shall be, upon issuance, duly authorized and validly issued.

(ii) All Warrant Shares issuable upon the exercise of this Warrant pursuant to the terms hereof shall be, upon issuance and upon receipt of payment of the Aggregate Exercise Price, and the Company shall take all such actions as may be necessary or appropriate in order that such Warrant Shares are, validly issued, fully paid and non-assessable, issued without violation of any preemptive

or similar rights of any stockholder of the Company and free and clear of all taxes, liens and charges.

(iii) The Company shall use commercially reasonable efforts to take such actions as may be necessary to ensure that all such Warrant Shares are issued without violation by the Company of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock or other securities constituting Warrant Shares may be listed at the time of such exercise (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance).

(iv) The Company shall pay all expenses in connection with, and all taxes and other governmental charges that may be imposed with respect to, the issuance or delivery of Warrant Shares upon exercise of this Warrant; *provided,* that the Company shall not be required to pay any tax or governmental charge that may be imposed with respect to any applicable withholding or the issuance or delivery of the Warrant Shares to any Person other than the Holder, and no such issuance or delivery shall be made unless and until the Person requesting such issuance has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid.

(g) **Conditional Exercise**. Notwithstanding any other provision hereof, if an exercise of any portion of this Warrant is to be made in connection with a public offering or a sale of the Company (pursuant to a merger, sale of stock, or otherwise), such exercise may at the election of the Holder be conditioned upon the consummation of such transaction, in which case such exercise shall not be deemed to be effective until immediately prior to the consummation of such transaction.

(h) **Reservation of Shares**. During the Exercise Period, the Company shall at all times reserve and keep available out of its authorized but unissued Common Stock or other securities constituting Warrant Shares, solely for the purpose of issuance upon the exercise of this Warrant, the maximum number of Warrant Shares issuable upon the exercise of this Warrant, and the par value per Warrant Share shall at all times be less than or equal to the applicable Exercise Price. The Company shall not increase the par value of any Warrant Shares receivable upon the exercise of this Warrant above the Exercise Price then in effect, and shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant.

4. Adjustment to Number of Warrant Shares. In order to prevent dilution of the purchase rights granted under this Warrant, the number of Warrant Shares issuable upon exercise of this Warrant shall be subject to adjustment from time to time as provided in this Section 4 (in each case, after taking into consideration any prior adjustments pursuant to this Section 4).

(a) **Adjustment to Number of Warrant Shares Upon Dividend, Subdivision or Combination of Common Stock**. If the Company shall, at any time or from time to time after the Original Issue Date, (i) pay a dividend or make any other distribution upon

the Common Stock or any other capital stock of the Company payable in shares of Common Stock or in Options or Convertible Securities, or (ii) subdivide (by any stock split, recapitalization or otherwise) its outstanding shares of Common Stock into a greater number of shares, the number of Warrant Shares issuable upon exercise of this Warrant immediately prior to any such dividend, distribution or subdivision shall be proportionately increased. If the Company at any time combines (by combination, reverse stock split or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such combination shall be proportionately decreased. Any adjustment under this Section 4(a) shall become effective at the close of business on the date the dividend, subdivision or combination becomes effective.

(b) **Adjustment to Number of Warrant Shares Upon Reorganization, Reclassification, Consolidation or Merger**. In the event of any (i) capital reorganization of the Company, (ii) reclassification of the stock of the Company (other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), (iii) consolidation or merger of the Company with or into another Person, (iv) sale of all or substantially all of the Company's assets to another Person or (v) other similar transaction (other than any such transaction covered by Section 4(a)), in each case which entitles the holders of Common Stock to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, each Warrant shall, immediately after such reorganization, reclassification, consolidation, merger, sale or similar transaction, remain outstanding and shall thereafter, in lieu of or in addition to (as the case may be) the number of Warrant Shares then exercisable under this Warrant, be exercisable for the kind and number of shares of stock or other securities or assets of the Company or of the successor Person resulting from such transaction to which the Holder would have been entitled upon such reorganization, reclassification, consolidation, merger, sale or similar transaction if the Holder had exercised this Warrant in full immediately prior to the time of such reorganization, reclassification, consolidation, merger, sale or similar transaction and acquired the applicable number of Warrant Shares then issuable hereunder as a result of such exercise (without taking into account any limitations or restrictions on the exercisability of this Warrant); and, in such case, appropriate adjustment (in form and substance satisfactory to the Holder) shall be made with respect to the Holder's rights under this Warrant to insure that the provisions of this Section 4 hereof shall thereafter be applicable, as nearly as possible, to this Warrant in relation to any shares of stock, securities or assets thereafter acquirable upon exercise of this Warrant. The provisions of this Section 4(b) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales or similar transactions. The Company shall not effect any such reorganization, reclassification, consolidation, merger, sale or similar transaction unless, prior to the consummation thereof, the successor Person (if other than the Company) resulting from such reorganization, reclassification, consolidation, merger, sale or similar transaction, shall assume, by written instrument substantially similar in form and substance to this Warrant and satisfactory to the Holder, the obligation to deliver to the Holder such shares of stock, securities or assets which, in accordance with the foregoing provisions, such Holder shall be entitled to receive upon exercise of this Warrant.

(c) **Exceptions To Adjustment Upon Issuance of Common Stock**. Notwithstanding anything herein to the contrary, there shall be no adjustment to the number of Warrant Shares issuable upon exercise of this Warrant with respect to any Excluded Issuance.

(d) **Certificate as to Adjustment**.

(i) As promptly as reasonably practicable following any adjustment of the number of Warrant Shares pursuant to the provisions of this Section 4, but in any event not later than twenty (20) Business Days thereafter, the Company shall furnish to the Holder a certificate of an executive officer setting forth in reasonable detail such adjustment and the facts upon which it is based and certifying the calculation thereof.

(ii) As promptly as reasonably practicable following the receipt by the Company of a written request by the Holder, but in any event not later than twenty (20) Business Days thereafter, the Company shall furnish to the Holder a certificate of an executive officer certifying the number of Warrant Shares or the amount, if any, of other shares of stock, securities or assets then issuable upon exercise of the Warrant.

(e) **Notices**. In the event:

(i) that the Company shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon exercise of the Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution, to vote at a meeting (or by written consent), to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(ii) of any capital reorganization of the Company, any reclassification of the Common Stock of the Company, any consolidation or merger of the Company with or into another Person, or sale of all or substantially all of the Company's assets to another Person; or

(iii) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company;

then, and in each such case, the Company shall send or cause to be sent to the Holder at least ten (10) days prior to the applicable record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the record date for such dividend, distribution, meeting or consent or other right or action, and a description of such dividend, distribution or other right or action to be taken at such meeting or by written consent, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up is proposed to take place, and the date, if any is to be fixed, as of which the books of the Company shall close or a record shall be taken with respect to which the holders of record of Common Stock (or such other capital stock or securities at the time

issuable upon exercise of the Warrant) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Warrant and the Warrant Shares.

5. Purchase Rights. In addition to any adjustments pursuant to Section 4 above, if at any time the Company grants, issues or sells any shares of Common Stock, Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of Common Stock (the **"Purchase Rights"**), then the Holder shall be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder would have acquired if the Holder had held the number of Warrant Shares acquirable upon complete exercise of this Warrant immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights. Anything herein to the contrary notwithstanding, the Holder shall not be entitled to the Purchase Rights granted herein with respect to any Excluded Issuance.

6. Stockholders Agreement. This Warrant and all Warrant Shares issuable upon exercise of this Warrant are and shall become subject to, and have the benefit of, the Stockholders Agreement, and the Holder shall be required, for so long as the Holder holds this Warrant or any Warrant Shares, and as a condition to its receipt of this Warrant and any Warrant Shares issuable upon exercise of this Warrant, to become and remain a party to the Stockholders Agreement. In furtherance thereof, Holder shall execute and deliver to the Company the Joinder Agreement attached as an exhibit to the Stockholders Agreement.

7. Transfer of Warrant. Subject to the transfer conditions referred to in the legend endorsed hereon and the terms and conditions of the Stockholders Agreement, this Warrant and all rights hereunder are transferable, in whole or in part, by the Holder without charge to the Holder, upon surrender of this Warrant to the Company at its then principal executive offices with a properly completed and duly executed Assignment in the form attached hereto as **Exhibit B**, together with funds sufficient to pay any transfer taxes described in Section 3(f)(iv) in connection with the making of such transfer. Upon such compliance, surrender and delivery and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees and in the denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant, if any, not so assigned and this Warrant shall promptly be cancelled.

8. Holder Not Deemed a Stockholder; Limitations on Liability. Except as otherwise specifically provided herein, prior to the issuance to the Holder of the Warrant Shares to which the Holder is then entitled to receive upon the due exercise of this Warrant, the Holder shall not be entitled to vote or receive dividends or be deemed the holder of shares of capital stock of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise. In addition, nothing contained in

this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

9. Replacement on Loss; Division and Combination.

(a) **Replacement of Warrant on Loss**. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and upon delivery of an indemnity reasonably satisfactory to it (it being understood that a written indemnification agreement or affidavit of loss of the Holder shall be a sufficient indemnity) and, in case of mutilation, upon surrender of such Warrant for cancellation to the Company, the Company at its own expense shall execute and deliver to the Holder, in lieu hereof, a new Warrant of like tenor and exercisable for an equivalent number of Warrant Shares as the Warrant so lost, stolen, mutilated or destroyed; *provided,* that, in the case of mutilation, no indemnity shall be required if this Warrant in identifiable form is surrendered to the Company for cancellation.

(b) **Division and Combination of Warrant**. Subject to compliance with the applicable provisions of this Warrant and the Stockholders Agreement as to any transfer or other assignment which may be involved in such division or combination, this Warrant may be divided or, following any such division of this Warrant, subsequently combined with other Warrants, upon the surrender of this Warrant or Warrants to the Company at its then principal executive offices, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the respective Holders or their agents or attorneys. Subject to compliance with the applicable provisions of this Warrant and the Stockholders Agreement as to any transfer or assignment which may be involved in such division or combination, the Company shall at its own expense execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants so surrendered in accordance with such notice. Such new Warrant or Warrants shall be of like tenor to the surrendered Warrant or Warrants and shall be exercisable in the aggregate for an equivalent number of Warrant Shares as the Warrant or Warrants so surrendered in accordance with such notice.

10. Compliance with the Securities Act.

(a) **Agreement to Comply with the Securities Act; Legend**. The Holder, by acceptance of this Warrant, agrees to comply in all respects with the provisions of this Section 10 and the restrictive legend requirements set forth on the face of this Warrant and further agrees that such Holder shall not offer, sell or otherwise dispose of this Warrant or any Warrant Shares to be issued upon exercise hereof except under circumstances that will not result in a violation of the Securities Act of 1933, as amended (the **"Securities Act"**). This Warrant and all Warrant Shares issued upon exercise of this Warrant (unless registered under the Securities Act) shall be stamped or imprinted with a legend in substantially the following form:

"THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF

1933, AS AMENDED (THE **"SECURITIES ACT"**), OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR ASSIGNED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SHARES IS EFFECTIVE UNDER THE SECURITIES ACT AND IS QUALIFIED UNDER APPLICABLE STATE AND FOREIGN LAW OR (II) THE TRANSACTION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS UNDER THE SECURITIES ACT AND THE QUALIFICATION REQUIREMENTS UNDER APPLICABLE STATE AND FOREIGN LAW AND, IF THE CORPORATION REQUESTS, AN OPINION SATISFACTORY TO THE CORPORATION TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL.**"**

(b) **Representations of the Holder**. In connection with the issuance of this Warrant, the Holder specifically represents, as of the date hereof, to the Company by acceptance of this Warrant as follows:

(i) The Holder is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. The Holder is acquiring this Warrant and the Warrant Shares to be issued upon exercise hereof for investment for its own account and not with a view towards, or for resale in connection with, the public sale or distribution of this Warrant or the Warrant Shares, except pursuant to sales registered or exempted under the Securities Act.

(ii) The Holder understands and acknowledges that this Warrant and the Warrant Shares to be issued upon exercise hereof are "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that, under such laws and applicable regulations, such securities may be resold without registration under the Securities Act only in certain limited circumstances. In addition, the Holder represents that it is familiar with Rule 144 under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

(iii) The Holder acknowledges that it can bear the economic and financial risk of its investment for an indefinite period, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Warrant and the Warrant Shares. The Holder has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Warrant and the business, properties, prospects and financial condition of the Company.

11. Warrant Register. The Company shall keep and properly maintain at its principal executive offices books for the registration of the Warrant and any transfers thereof. The Company may deem and treat the Person in whose name the Warrant is registered on such register as the Holder thereof for all purposes, and the Company shall not be affected by any notice to the contrary, except any assignment, division, combination or other transfer of the Warrant effected in accordance with the provisions of this Warrant.

12. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given upon the earlier of actual receipt, or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. Such communications must be sent to the respective parties at the e-mail address and location address indicated below (or at such other e-mail address or location address for a party as shall be specified in a notice given in accordance with this Section 12).

If to the Company:	1880 S. Flatiron Court, Suite E Boulder, Colorado 80301 E-mail: dburkhalter@missionholdings.us Attention: Doug Burkhalter
with a copy to:	Berger, Cohen & Brandt, LC 8000 Maryland Ave., Suite 1500 Clayton, Missouri 63105 E-mail: dspewak@bcblawlc.com Attention: David S. Spewak, Esq.
If to the Holder:	Medicine Man Technologies, Inc. (d/b/a Schwazze) 4880 Havana Street, Suite 201 Denver, Colorado 80239 Email: dan@schwazze.com Attn: Dan Pabon, General Counsel
with a copy to:	Brownstein Hyatt Farber Schreck, LLP 410 17th Street, Suite 2200 Denver, Colorado 80202 Email: AAgron@BHFS.com JKnetsch@BHFS.com RLunberg@BHFS.com Attn: Adam Agron Jeff Knetsch Rikard Lundberg

13. Cumulative Remedies. Except to the extent expressly provided in Section 8 to the contrary, the rights and remedies provided in this Warrant are cumulative and are not exclusive of, and are in addition to and not in substitution for, any other rights or remedies available at law, in equity or otherwise.

14. Equitable Relief. Each of the Company and the Holder acknowledges that a breach or threatened breach by such party of any of its obligations under this Warrant would give rise to irreparable harm to the other party hereto for which monetary damages would not be an adequate remedy and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto shall, in addition to any and all other rights and remedies

that may be available to it in respect of such breach, be entitled to equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction.

15. Entire Agreement. This Warrant, together with the Stockholders Agreement and the Brand Agreement, constitutes the sole and entire agreement of the parties to this Warrant with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the terms of this Warrant, the Stockholders Agreement and the Brand Agreement, the terms of this Warrant shall control.

16. Successor and Assigns. This Warrant and the rights evidenced hereby shall be binding upon and shall inure to the benefit of the parties hereto and the successors of the Company and the successors and permitted assigns of the Holder. Such successors and/or permitted assigns of the Holder shall be deemed to be a Holder for all purposes hereunder.

17. No Third-Party Beneficiaries. This Warrant is for the sole benefit of the Company and the Holder and their respective successors and, in the case of the Holder, permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Warrant.

18. Headings. The headings in this Warrant are for reference only and shall not affect the interpretation of this Warrant.

19. Amendment and Modification; Waiver. Except as otherwise provided herein, this Warrant may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by the Company or the Holder of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Warrant shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

20. Severability. If any term or provision of this Warrant is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Warrant or invalidate or render unenforceable such term or provision in any other jurisdiction.

21. Governing Law. This Warrant shall be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Colorado.

22. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Warrant or the transactions contemplated hereby shall be instituted in the state or federal courts of the United States of America located in Denver County, Colorado, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by certified or registered mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

23. Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Warrant is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Warrant or the transactions contemplated hereby.

24. Counterparts. This Warrant may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Warrant delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Warrant.

25. No Strict Construction. This Warrant shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has duly executed this Warrant on the Original Issue Date.

MISSION HOLDINGS US, INC.

By: _____
Donald Douglas Burkhalter
Chief Executive Officer

Accepted and agreed:

MEDICINE MAN TECHNOLOGIES, INC. (D/B/A SCHWAZZE)

By: _____
Justin Dye
Chief Executive Officer

EXHIBIT A

NOTICE OF EXERCISE FORM

The undersigned registered Holder of Warrant hereby irrevocably exercises the attached Warrant No.: ___, with an Original Issue Date of _____ (the **"Warrant"**) for and purchases _____ shares of common stock of Mission Holdings US, Inc., a Colorado corporation (the **"Company"**), pursuant to the terms and the conditions specified in the Warrant and (check the applicable box):

☐ Tenders herewith payment of the Aggregate Exercise Price (as defined in the Warrant) in full; or

☐ Elects to exercise the Warrant on a "cashless" basis pursuant to, and subject to the terms of, Section 3(b)(ii) of the Warrant.

In exercising the Warrant, the undersigned hereby confirms and acknowledges that the shares of common stock to be issued upon exercise hereof are being acquired solely for the account of the undersigned and not as a nominee for any other party, and for investment and that the undersigned will not offer, sell or otherwise dispose of any such shares of common stock except under circumstances that will not result in a violation of the Securities Act of 1933, as amended, or any state or foreign securities laws.

The undersigned represents that he, she, or it is an "accredited investor" within the meaning of Rule 501(a) under the Securities Act of 1933, as amended, and the aforesaid shares of common stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares.

Dated: _____

By: _____

(Signature of Registered Holder)

Print Name: _____

EXHIBIT B

ASSIGNMENT

FOR VALUE RECEIVED, _____, the registered holder (the **"Holder")** of the Warrant (defined below), hereby sells, assigns, and transfers unto _____ (the **"Transferee"),** Warrant No.: _____, with an Original Issue Date of _____ (the **"Warrant")** to purchase shares of common stock of Mission Holdings US, Inc., a Colorado corporation, and all rights evidenced by the Warrant.

Transferee Information (please provide):

Name: _____
(Please Print)

Address: _____
(Please Print)

Phone Number: _____

Email Address: _____

Dated: _____

Holder's Signature: _____

Holder's Address: _____

EXHIBIT C

COMPANY CAP TABLE

(SEE ATTACHED)

Exhibit 10.6

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement") is made as of August 23, 2022, by and between MISSION HOLDINGS US, INC., a Colorado corporation (the "Company"), and MEDICINE MAN TECHNOLOGIES, INC. (D/B/A SCHWAZZE), a Nevada corporation ("Schwazze").

RECITALS:

WHEREAS, concurrently with the execution of this Agreement, the Company and Schwazze have executed and entered into that certain Brand Partnership Agreement dated as of the date hereof (the "Brand Partnership Agreement").

WHEREAS, pursuant to Section 5.a. of the Brand Partnership Agreement, the Company has agreed to grant to Schwazze an option to acquire a number of shares of common stock, $.0001 par value, of the Company ("Common Stock") pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grant of Option. The Company hereby grants to Schwazze the option (the "Option") to purchase 581,429 shares of Common Stock (the "Option Shares") for the Option Price and subject to all the terms and conditions set forth in this Agreement.

2. Option Price. Upon the exercise of the Option, the price to be paid by Schwazze for the purchase of all of the Option Shares is $1,000,000.00 in total (the "Option Price").

3. Exercise Period. The Option may be exercised by Schwazze at any time within eighteen (18) months from the date of this Agreement (the "Option Period"). The exercise of the Option may only be exercised for all, but not less than all, of the Option Shares and after payment in full of the Option Price by wire transfer to an account designated by the Company.

4. Exercise of Option. The Option may be exercised by Schwazze by delivering written notice to the Company (the "Option Notice") at any time prior to the expiration of the Option Period. The Option Notice shall state the closing date, which date shall be no less than ten (10) days nor more than thirty (30) days from the date of the Option Notice (the "Closing Date").

5. Closing. The closing on the purchase of the Option Shares shall take place at the Company's offices on the Closing Date or such other place mutually agreeable to by the parties. At the closing, (a) Schwazze shall pay the Option Price to the Company by wire transfer to an account designated by the Company, and (b) upon receipt by the Company of such funds, the Company shall deliver a stock certificate evidencing ownership of the Option Shares.

6. Certain Adjustments. If the Company (i) pays a dividend in shares of Common

Stock or makes a distribution in shares of Common Stock, (ii) subdivides (by any stock split, recapitalization or otherwise) its outstanding shares of Common Stock into a greater number of shares, (iii) combines (by combination, reverse stock split or otherwise) its outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (iv) by reclassification (other than a change in par value or from par value to no par value or as a result of a stock dividend or subdivision, split-up or combination of shares), reorganization, consolidation or merger of the Company with or into another person or other similar transaction, issues other securities of the Company to all holders of Common Stock, the number of Option Shares purchasable upon exercise of this Option and the Option Price shall be adjusted so that Schwazze shall be entitled to receive the kind and number of shares of Common Stock or other securities of the Company which Schwazze would have owned or have been entitled to receive if this Option had been exercised immediately prior to any such event or any record date with respect thereto. An adjustment made pursuant to this paragraph shall become effective immediately after the effective date of such event, retroactive to the record date, if any, for such event, and prompt written notice thereof shall be given to Schwazze.

7. Representations, Warranties and Covenants of the Company. The Company hereby represents, warrants, covenants and agrees as follows:

(a) All of the Option Shares, if and when purchased by and delivered to Schwazze, pursuant to this Agreement, shall be duly issued, fully paid and non-assessable, and the Company has (and will retain) full power and authority to transfer any or all of the Option Shares to Schwazze upon the exercise of the Option granted hereunder, free and clear of any and all liens, encumbrances, claims, liabilities and restrictions except those restrictions created under this Agreement.

(b) The Option Shares correctly reflect the option to acquire additional equity of the Company as contemplated in Section 6(a)(iii) of that certain Memo of Understanding, dated May 13, 2021, among the Company, Schwazze and the Emerald Companies (as defined therein).

(c) The Company is a corporation, duly incorporated and validly existing under the laws of the State of Colorado and shall maintain in good standing, its status as a corporation thereunder.

8. Representations and Warranties Regarding Unregistered Shares.

(a) THE OPTION AND THE OPTION SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR ASSIGNED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SHARES IS EFFECTIVE UNDER THE SECURITIES ACT AND IS QUALIFIED UNDER APPLICABLE STATE AND FOREIGN LAW OR (II) THE TRANSACTION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS UNDER THE SECURITIES ACT AND THE QUALIFICATION REQUIREMENTS UNDER APPLICABLE STATE AND FOREIGN LAW

AND, IF THE CORPORATION REQUESTS, AN OPINION SATISFACTORY TO THE CORPORATION TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL.

(b) Schwazze hereby warrants, represents, agrees and acknowledges that: (i) it is an "accredited investor" within the meaning of regulation D promulgated under the Securities Act; (ii) if the Option is exercised, it is acquiring the Option Shares for its own account as a longterm investment and without a present view to make any distribution, resale or fractionalization thereof; (iii) it and its independent counselors have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the investment involved in the acquisition of the Option Shares and they have evaluated the same; (iv) it is able to bear the economic risks of such investment; (v) it and its independent counselors have made such investigation of the Company (including its business prospects and financial condition), have had access to all information regarding the Company, and have had an opportunity to ask all of the questions regarding the Company and the Option Shares as they deem necessary to fully evaluate its investment in the Company; and (vi) it understands that if the Option is exercised, (A) the Option Shares are not, and will not be, registered under the Securities Act or any state securities law, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of its representations herein, (B) the Option Shares acquired by it are "restricted securities" under the Securities Act and state securities laws and that, pursuant to these laws, it must hold the Option Shares indefinitely unless they are registered under the Securities Act and qualified by state authorities or an exemption from such registration and qualification requirements is available (evidence of which must be satisfactory to counsel for the Company), (C) there is no market for the Option Shares, and such Shares cannot be expected to be readily transferred or liquidated; and (D) its acquisition of Option Shares involves a high degree of risk.

9. Stockholders Agreement.

(a) THE OPTION AND THE OPTION SHARES ARE SUBJECT TO A STOCKHOLDERS AGREEMENT, DATED AS OF MAY 20, 2022, BY AND AMONG THE COMPANY AND THE STOCKHOLDERS OF THE COMPANY THERETO (AS AMENDED FROM TIME TO TIME, THE "STOCKHOLDERS AGREEMENT"). NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE OPTION SHARES MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THE STOCKHOLDERS AGREEMENT. A COPY OF THE STOCKHOLDERS AGREEMENT SHALL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON REQUEST.

(b) In the event Schwazze exercises the Option, it will be required to become a party to the Stockholders' Agreement by executing the Joinder Agreement attached thereto as an exhibit.

10. Other Actions. Each of the parties hereto agrees to execute and deliver such documents, certificates, instruments and agreements and to take such other actions as may be necessary or desirable in order to consummate the transactions contemplated by this Agreement or execute the terms of this Agreement.

11. Binding Effect; Non-Assignable. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns, as the case may be, with the same force and effect specifically mentioned in each instance where a party hereto is named. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto, and their respective successors and permitted assigns, any rights or obligations under or by reason of this Agreement. Notwithstanding anything to the contrary contained herein, neither the Option nor any of the rights or obligations under this Agreement may not be assigned or transferred.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Colorado..

13. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in the state or federal courts of the United States of America located in Denver County, Colorado, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by certified or registered mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

14. Entire Agreement; Amendments. This Agreement contains the entire Agreement between the parties as to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between this Agreement and the Brand Partnership Agreement, the terms of this Agreement shall control. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto.

15. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given upon the earlier of actual receipt, or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. Such communications must be sent to the respective parties at the e-mail address and location address indicated below (or at such other e-mail address or location address for a party as shall be specified in a notice given in accordance with this Section 15).

If to the Company:

1880 S. Flatiron Court, Suite E
Boulder, Colorado 80301
E-mail: dburkhalter@missionholdings.us
Attention: Doug Burkhalter

with a copy to:	Berger, Cohen & Brandt, LC 8000 Maryland Ave., Suite 1500 Clayton, Missouri 63105 E-mail: dspewak@bcblawlc.com Attention: David S. Spewak, Esq.
If to the Holder:	Medicine Man Technologies, Inc. (d/b/a Schwazze) 4880 Havana Street, Suite 201 Denver, Colorado 80239 Email: dan@schwazze.com sarah.guthrie@schwazze.com Attn: Dan Pabon, General Counsel Sarah Guthrie, Securities Counsel
with a copy to:	Brownstein Hyatt Farber Schreck, LLP 410 17th Street, Suite 2200 Denver, Colorado 80202 Email: AAgron@BHFS.com JKnetsch@BHFS.com RLunberg@BHFS.com Attn: Adam Agron Jeff Knetsch Rikard Lundberg

16. Prevailing Party Fees. In the event of a dispute with respect to the provisions of this Agreement and in addition to all other remedies, the non-prevailing party shall indemnify, protect and hold harmless the prevailing party from and shall pay the prevailing party's costs and expenses (including without limitation reasonable attorneys' fees, court costs and/or costs of arbitration) incurred by the prevailing party in enforcing any of the provisions of this Agreement.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

18 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

19. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

20. No Strict Construction. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Donald Douglas Burkhalter
Donald Douglas Burkhalter
Chief Executive Officer

SCHWAZZE:

MEDICINE MAN TECHNOLOGIES, INC.
(D/B/A SCHWAZZE)

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

EXECUTION VERSION

VOTING AGREEMENT

THIS VOTING AGREEMENT (this **"Agreement")** is made and entered into as of May 20, 2022, by and among Mission Holdings US, Inc., a Colorado corporation (the **"Company"),** each holder of the Convertible Preferred Stock, $.0001 par value per share, of the Company **("Preferred Stock"),** listed on Schedule A (together with any subsequent investors, or transferees, who become parties hereto as "Investors" pursuant to Sections 6.1(a) or 6.2 below, the **"Investors"),** and those certain stockholders of the Company and, if applicable, holders of options to acquire shares of the capital stock of the Company listed on Schedule B (together with any subsequent stockholders or option holders, or any transferees, who become parties hereto as "Key Holders" pursuant to Sections 6.1(b) or 6.2 below, the **"Key Holders,"** and together collectively with the Investors, the **"Stockholders").**

RECITALS

A. Concurrently with the execution of this Agreement, the Company and the Investors are entering into a Preferred Stock Purchase Agreement dated as of the date hereof (the **"Purchase Agreement")** providing for the sale of shares of the Preferred Stock, and in connection therewith, the parties desire to provide the Investors with the right, among other rights, to designate the election of certain members of the board of directors of the Company (the **"Board")** in accordance with the terms of this Agreement.

B. The Articles of the Company provides that: (a) the holders of record of the shares of the Preferred Stock, as a separate class, shall be entitled to elect three (3) directors of the Company (collectively, the **"Preferred Directors",** and individually, a **"Preferred Director");** (b) the holders of record of the shares of common stock, $.0001 par value per share, of the Company **("Common Stock"),** exclusively and as a separate class, shall be entitled to elect two (2) directors of the Company (collectively, the **"Common Directors",** and individually, a **"Common Director");** and (c) the holders of record of the shares of Common Stock and the Preferred Stock, voting together as a single class on an as converted basis, shall be entitled to elect the balance, if any, of the total number of directors of the Company. The **"Articles"** means the Articles of Incorporation of the Company filed with the Colorado Secretary of State on November 2, 2020, as amended by the Articles of Amendment (including the Attachment to Amended Articles of Incorporation of Mission Holdings US, Inc.) filed with the Colorado Secretary of State on December 29, 2021 and the Designation, Preferences, Limitations and Relative Rights of Convertible Preferred Stock of the Company to be filed with the Colorado Secretary of State on or about the date hereof in connection with the transactions contemplated under the Purchase Agreement, as may be further modified, amended, and/or restated from time to time.

NOW, THEREFORE, the parties agree as follows:

1. Voting Provisions Regarding the Board.

1.1 Shares. For purposes of this Agreement, the term **"Shares"** shall mean and include any securities of the Company that the holders of which are entitled to vote for members of the Board, including, without limitation, all shares of Common Stock and Preferred Stock, by whatever name called, now owned or subsequently acquired by a Stockholder, however acquired,

whether through stock splits, stock dividends, reclassifications, recapitalizations, similar events or otherwise.

1.2 Board Composition. Each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or special meeting of stockholders at which an election of directors is held or pursuant to any written consent of the stockholders, subject to Section 4, the following persons shall be elected to the Board, subject to the approval requirements set forth in Section 1.3:

(a) As the first Preferred Director, one (1) person designated as a Preferred Director from time to time by Medicine Man Technologies, Inc. (d/b/a Schwazze), for so long as the holders of outstanding shares of Preferred Stock (and their permitted transferees under the Articles) own beneficially in the aggregate at least twenty percent (20%) of the outstanding shares of Common Stock on a fully diluted, as-converted basis (as adjusted for any stock splits, stock dividends, recapitalizations or similar transaction), which individual shall initially be Collin Lodge;

(b) As the second Preferred Director, one (1) person designated as a Preferred Director from time to time by Techas Capital, LLC, for so long as the holders of outstanding shares of Preferred Stock (and their permitted transferees under the Articles) own beneficially in the aggregate at least twenty percent (20%) of the outstanding shares of Common Stock on a fully diluted, as-converted basis (as adjusted for any stock splits, stock dividends, recapitalizations or similar transaction), which individual shall initially be M. David White;

(c) With respect to the third Preferred Director, for so long as the holders of outstanding shares of Preferred Stock (and their permitted transferees under the Articles) own beneficially in the aggregate at least twenty percent (20%) of the outstanding shares of Common Stock on a fully diluted, as-converted basis (as adjusted for any stock splits, stock dividends, recapitalizations or similar transaction):

(i) From the date hereof until twelve (12) months after the Company has been operating (the **"One Year Operating Date"),** one **(1)** person designated as a Preferred Director by Techas Capital, LLC, which individual shall initially be John Harris; and

(ii) After the One Year Operating Date, one (1) person designated as a Preferred Director from time to time by the Largest Investor. For purposes of this Section 1.2(c)(ii), the **"Largest Investor"** shall mean which of Techas Capital, LLC or Medicine Man Technologies, Inc. (d/b/a Schwazze), in each case together with its affiliates, beneficially owns the most outstanding shares of Common Stock on a fully diluted, as-converted basis (as adjusted for any stock splits, stock dividends, recapitalizations or similar transaction), determined as of the end of each fiscal year of the Company;

(d) As the first Common Director, Donald Douglas Burkhalter, who is a Key Holder, for so long as either (i) Donald Douglas Burkhalter or his Permitted Transferees (as defined in that certain Stockholders Agreement dated as of the date hereof by and among the Company and each holder of shares of Common Stock that is a party thereto (the **"Stockholders Agreement"))** holds an aggregate of at least five percent (5%) of the issued and outstanding shares

of Common Stock (subject to appropriate adjustment for any stock splits, stock dividends, combinations, recapitalizations and the like), or (ii) Donald Douglas Burkhalter remains a duly appointed or elected officer of the Company; except that if he declines or is unable to serve, his successor shall be designated by Hadley C. Ford, who is another Key Holder;

(e) As the second Common Director, Hadley C. Ford, who is a Key Holder, for so long as either (i) Hadley C. Ford or his Permitted Transferees (as defined in the Stockholders Agreement) holds an aggregate of at least five percent (5%) of the issued and outstanding shares of Common Stock (subject to appropriate adjustment for any stock splits, stock dividends, combinations, recapitalizations and the like), or (ii) Hadley C. Ford remains a duly appointed or elected officer of the Company; except that if he declines or is unable to serve, his successor shall be designated by Donald Douglas Burkhalter, who is another Key Holder;

(f) Notwithstanding the foregoing provisions of Sections 1.2(c) and (d), if either (or both) Donald Douglas Burkhalter or Hadley C. Ford is not entitled to designate the Common Director as provided pursuant to Sections 1.2(c) and (d), as long as the Key Holders, collectively and together with their Permitted Transferees, own at least ten percent (10%) of the issued and outstanding shares of Common Stock, Donald Douglas Burkhalter and Hadley C. Ford shall have the right to jointly designate a Common Director.

To the extent that any of clauses (a) through (e) above shall not be applicable, any member of the Board who would otherwise have been designated in accordance with the terms thereof shall instead be voted upon by all the Stockholders of the Company entitled to vote thereon in accordance with, and pursuant to, the Articles.

For purposes of this Agreement, an individual, firm, corporation, partnership, association, limited liability company, trust or any other entity (collectively, a "Person") shall be deemed an "Affiliate" of another Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or registered investment company now or hereafter existing that is controlled by one (1) or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Person.

1.3 Director Qualification. Notwithstanding anything to the contrary contained herein, any person designated or appointed as a member of the Board pursuant to Section 1.2 shall undergo state and local regulatory approval for each jurisdiction in which the Company has a marijuana/cannabis license. Any such designation or appointment shall not take effect until such state and local regulatory approval has been granted.

1.4 Failure to Designate a Board Member. In the absence of any designation from the Persons or groups with the right to designate a director as specified above, the director previously designated by them and then serving shall be reelected if willing to serve unless such individual has been removed as provided herein, and otherwise such Board seat shall remain vacant until otherwise filled as provided above.

1.5 Removal of Board Members. Each Stockholder also agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(a) no director elected pursuant to Section 1.2 of this Agreement may be removed from office unless (i) such removal is directed or approved by the affirmative vote of the Person(s) entitled under Section 1.2 to designate that director; or (ii) the Person(s) originally entitled to designate or approve such director or occupy such Board seat pursuant to Section 1.2 is no longer so entitled to designate or approve such director or occupy such Board seat;

(b) any vacancies created by the resignation, removal or death of a director elected pursuant to Section 1.2 shall be filled pursuant to the provisions of this Section 1; and

(c) upon the request of any party entitled to designate a director as provided in Section 1.2 to remove such director, such director shall be removed.

All Stockholders agree to execute any written consents required to perform the obligations of this Section 1, and the Company agrees at the request of any Person or group entitled to designate directors to call a special meeting of stockholders for the purpose of electing directors. If the stockholders of the Company are entitled to cumulative voting, and if less than the entire Board is to be removed, no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect such director if then cumulatively voted at an election of the entire Board.

1.6 No Liability for Election of Recommended Directors. No Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating a person for election as a director for any act or omission by such designated person in his or her capacity as a director of the Company, nor shall any Stockholder have any liability as a result of voting for any such designee in accordance with the provisions of this Agreement.

2. Vote to Increase Authorized Common Stock. Each Stockholder agrees to vote or cause to be voted all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to increase the number of authorized shares of Common Stock from time to time to ensure that there will be sufficient shares of Common Stock available for conversion of all of the shares of Preferred Stock outstanding at any given time.

3. Remedies.

3.1 Covenants of the Company. The Company agrees to use its best efforts, within the requirements of applicable law, to ensure that the rights granted under this Agreement are effective and that the parties enjoy the benefits of this Agreement. Such actions include, without limitation, the use of the Company's best efforts to cause the nomination and election of the directors as provided in this Agreement.

3.2 Irrevocable Proxy and Power of Attorney. Each party to this Agreement hereby constitutes and appoints as the proxy of the party and hereby grants a power of attorney to

the President of the Company, with full power of substitution, with respect to the matters set forth herein, including, without limitation, votes regarding the composition of the Board pursuant to Section 1, and votes to increase authorized shares pursuant to Section 2 hereof and hereby authorizes such proxy to represent and vote, if and only if the party (i) fails to vote, or (ii) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of such party's Shares in favor of the election of persons as members of the Board determined pursuant to and in accordance with the terms and provisions of this Agreement or the increase of authorized shares pursuant to and in accordance with the terms and provisions of this Agreement or to take any action reasonably necessary to effect this Agreement. Each of the proxy and power of attorney granted pursuant to this Section 3.2 is given in consideration of the agreements and covenants of the Company and the parties in connection with the transactions contemplated by this Agreement and, as such, each is coupled with an interest and shall be irrevocable unless and until this Agreement terminates or expires pursuant to Section 5 hereof. Each party hereto hereby revokes any and all previous proxies or powers of attorney with respect to the Shares and shall not hereafter, unless and until this Agreement terminates or expires pursuant to Section 5 hereof, purport to grant any other proxy or power of attorney with respect to any of the Shares, deposit any of the Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of the Shares, in each case, with respect to any of the matters set forth herein.

3.3 Specific Enforcement. Each party acknowledges and agrees that each party hereto will be irreparably damaged in the event any of the provisions of this Agreement are not performed by the parties in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of the Company and the Stockholders shall be entitled to an injunction to prevent breaches of this Agreement, and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction; provided that no party that is regulated as a bank holding company under the Bank Holding Company Act of 1956, as amended, shall have the right to enforce against any Stockholder any provision of this Agreement that (a) requires a Stockholder to vote for or against any matter or (b) restricts or conditions the ability of a Stockholder to transfer its Shares.

3.4 Remedies Cumulative. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

4. "Bad Actor" Matters.

4.1 Definitions. For purposes of this Agreement:

(a) "Company Covered Person" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any Person listed in the first paragraph of Rule 506(d)(1).

(b) "Disqualified Designee" means any director designee to whom any Disqualification Event is applicable, except for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

(c) "Disqualification Event" means a "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) promulgated under the Securities Act.

(d) "Rule 506(d) Related Party" means, with respect to any Person, any other Person that is a beneficial owner of such first Person's securities for purposes of Rule 506(d) under the Securities Act.

4.2 Representations.

(a) Each Person with the right to designate or participate in the designation of a director pursuant to this Agreement hereby represents that (i) such Person has exercised reasonable care to determine whether any Disqualification Event is applicable to such Person, any director designee designated by such Person pursuant to this Agreement or any of such Person's Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable and (ii) no Disqualification Event is applicable to such Person, any Board member designated by such Person pursuant to this Agreement or any of such Person's Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable. Notwithstanding anything to the contrary in this Agreement, each Investor makes no representation regarding any Person that may be deemed to be a beneficial owner of the Company's voting equity securities held by such Investor solely by virtue of that Person being or becoming a party to (x) this Agreement, as may be subsequently amended, or (y) any other contract or written agreement to which the Company and such Investor are parties regarding (1) the voting power, which includes the power to vote or to direct the voting of, such security; and/or (2) the investment power, which includes the power to dispose, or to direct the disposition of, such security.

(b) The Company hereby represents and warrants to the Investors that no Disqualification Event is applicable to the Company or, to the Company's knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii)-(iv) or (d)(3) is applicable.

4.3 Covenants. Each Person with the right to designate or participate in the designation of a director pursuant to this Agreement covenants and agrees (i) not to designate or participate in the designation of any director designee who, to such Person's knowledge, is a Disqualified Designee, (ii) to exercise reasonable care to determine whether any director designee designated by such person is a Disqualified Designee, (iii) that in the event such Person becomes aware that any individual previously designated by any such Person is or has become a Disqualified Designee, such Person shall as promptly as practicable take such actions as are necessary to remove such Disqualified Designee from the Board and designate a replacement designee who is not a Disqualified Designee, and (iv) to notify the Company promptly in writing in the event a Disqualification Event becomes applicable to such Person or any of its Rule 506(d) Related Parties, or, to such Person's knowledge, to such Person's initial designee named in Section 1, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

5. Term.

5.1 This Agreement shall be effective as of the date hereof and shall continue in

effect until and shall terminate upon the earliest to occur of (a) the consummation of the Company's initial underwritten public offering of its Common Stock (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to its stock option, stock purchase or similar plan or an SEC Rule 145 transaction); (b) the consummation of a Sale of the Company and distribution of proceeds to or escrow for the benefit of the Stockholders in accordance with the Articles; and (c) termination of this Agreement in accordance with Section 6.8 below.

5.2 **"Sale of the Company"** means a transaction or series of related transactions in which a Person, or a group of related Persons, (a) acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company, (b) acquires, leases, transfers or exclusively licenses all or substantially all of the assets of the Company (including, without limitation, cannabis licenses and permits necessary to the Company's operations), or (c) results in a merger, consolidation, recapitalization or reorganization of the Company with or into another Person that results in the inability of the Stockholders to elect or designate a majority of the board of directors (or its equivalent) of the resulting entity or its parent company.

6. Miscellaneous.

6.1 Additional Parties.

(a) Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Preferred Stock after the date hereof, as a condition to the issuance of such shares the Company shall require that any purchaser of such shares become a party to this Agreement by executing and delivering (i) the Adoption Agreement attached to this Agreement as Exhibit A, or (ii) a counterpart signature page hereto agreeing to be bound by and subject to the terms of this Agreement as an Investor and Stockholder hereunder. In either event, each such person shall thereafter be deemed an Investor and Stockholder for all purposes under this Agreement.

(b) In the event that after the date of this Agreement, the Company enters into an agreement with any Person to issue shares of capital stock to such Person (other than to a purchaser of Preferred Stock described in Section 6.1(a) above), following which such Person shall hold Shares constituting one percent (1%) or more of the then outstanding capital stock of the Company (treating for this purpose all shares of Common Stock issuable upon exercise of or conversion of outstanding options, warrants or convertible securities, as if exercised and/or converted or exchanged), then, the Company shall cause such Person, as a condition precedent to entering into such agreement, to become a party to this Agreement by executing an Adoption Agreement in the form attached hereto as Exhibit A, agreeing to be bound by and subject to the terms of this Agreement as a Key Holder and Stockholder and thereafter such person shall be deemed a Stockholder for all purposes under this Agreement.

6.2 Transfers. Each transferee or assignee of any Shares subject to this Agreement shall continue to be subject to the terms hereof, and, as a condition precedent to the Company's recognition of such transfer, each transferee or assignee shall agree in writing to be subject to each of the terms of this Agreement by executing and delivering an Adoption Agreement substantially in the form attached hereto as Exhibit A. Upon the execution and delivery of an

Adoption Agreement by any transferee, such transferee shall be deemed to be a party hereto as if such transferee were the transferor and such transferee's signature appeared on the signature pages of this Agreement and shall be deemed to be an Investor and Stockholder, or Key Holder and Stockholder, as applicable. The Company shall not permit the transfer of the Shares subject to this Agreement on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Section 6.2. Each certificate instrument, or book entry representing the Shares subject to this Agreement if issued on or after the date of this Agreement shall be notated by the Company with the legend set forth in Section 6.12.

6.3 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.4 Governing Law. This Agreement shall be governed by the internal law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

6.5 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.,* www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.6 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.7 Notices.

(a) General. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. All communications shall be sent to the respective parties at their e-mail address and location address as set forth on Schedule A or Schedule B hereof or to such email address or location address as subsequently modified by written notice given in accordance with this Section 6.7(a). If notice is given to the Company, it shall be sent to 1880 S. Flatiron Court, Suite E, Boulder, Colorado 80301, Attn: Doug Burkhalter, Email: dburkhalter@missionholdings.us; and a copy (which shall not constitute notice) shall also be sent to 1880 S. Flatiron Court, Suite E, Boulder, Colorado 80301, Attn: Hadley Ford, Email: hford@missionholdings.us and Berger, Cohen & Brandt, L.C., 8000 Maryland Ave., Suite 1500, Clayton, Missouri 63105, Attn: David Spewak, Email: dspewak@bcblawlc.com.

(b) Consent to Electronic Notice. Each Investor and Key Holder consents to the delivery of any stockholder notice pursuant to the Colorado Business Corporation Act (the **"CBCA"),** as amended or superseded from time to time, by electronic transmission pursuant to Section 7-101-402 of the CBCA (or any successor thereto) at the electronic mail address set forth below such Investor's or Key Holder's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each Investor and Key Holder agrees to promptly notify the Company of any change in its electronic mail address, and that failure to do so shall not affect the foregoing.

6.8 Consent Required to Amend, Modify, Terminate or Waive. This Agreement may be amended, modified or terminated (other than pursuant to Section 5) and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by (a) the Company; (b) the Key Holders holding seventy-five percent (75%) of the Shares then held by the Key Holders who are then providing services to the Company as officers, employees or consultants; and (c) the holders of seventy-five percent (75%) of the shares of Common Stock issued or issuable upon conversion of the shares of Preferred Stock held by the Investors (voting together as a single class and on an as-converted basis). Any amendment, modification, termination or waiver so effected shall be binding upon the Company, the Investors, the Key Holders and all of their respective successors and permitted assigns whether or not such party, assignee or other shareholder entered into or approved such amendment, modification, termination or waiver. Notwithstanding the foregoing:

(a) this Agreement may not be amended, modified or terminated and the observance of any term of this Agreement may not be waived with respect to any Investor or Key Holder without the written consent of such Investor or Key Holder, as the case may be, unless such amendment, modification, termination or waiver applies to all Investors or Key Holders, as the case may be, in the same fashion;

(b) this Agreement may not be amended, modified or terminated and the observance of any term hereunder may not be waived with respect to any Investor or Key Holder without the written consent of such Investor or Key Holder, as the case may be, if such amendment, modification, termination or waiver would adversely affect the rights of such Investor or Key Holder in a manner disproportionate to any adverse effect such amendment, modification, termination or waiver would have on the rights of the other Investors or Key Holders, as the case may be, under this Agreement;

(c) the provisions of Section 1.2(a) and this Section 6.8(c) may not be amended, modified, terminated or waived without the written consent of Medicine Man Technologies, Inc. (d/b/a Schwazze);

(d) the provisions of Section 1.2(b) and this Section 6.8(d) may not be amended, modified, terminated or waived without the written consent of Techas Capital, LLC;

(e) the provisions of Sections 1.2(c) and (e) and this Section 6.8(e) may not be amended, modified, terminated or waived without the written consent of Donald Douglas Burkhalter;

(f) the provisions of Sections 1.2(d) and (e) and this Section 6.8(f) may not be amended, modified, terminated or waived without the written consent of Hadley C. Ford;

(g) the consent of the Key Holders shall not be required for any amendment, modification, termination or waiver if such amendment, modification, termination, or waiver either (i) is not directly applicable to the rights of the Key Holders hereunder; or (ii) does not adversely affect the rights of the Key Holders in a manner that is different than the effect on the rights of the other parties hereto;

(h) Schedule A hereto may be amended by the Company from time to time in accordance with the Purchase Agreement to add information regarding additional Purchasers (as defined in the Purchase Agreement) without the consent of the other parties hereto; and

(i) any provision hereof may be waived by the waiving party on such party's own behalf, without the consent of any other party.

The Company shall give prompt written notice of any amendment, modification, termination, or waiver hereunder to any party that did not consent in writing thereto. Any amendment, modification, termination, or waiver effected in accordance with this Section 6.8 shall be binding on each party and all of such party's successors and permitted assigns, whether or not any such party, successor or assignee entered into or approved such amendment, modification, termination or waiver. For purposes of this Section 6.8, the requirement of a written instrument may be satisfied in the form of an action by written consent of the Stockholders circulated by the Company and executed by the Stockholder parties specified, whether or not such action by written consent makes explicit reference to the terms of this Agreement.

6.9 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default previously or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.10 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.11 Entire Agreement. This Agreement (including the Exhibits hereto), the Articles and the other Transaction Agreements (as defined in the Purchase Agreement) constitute

the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.12 Share Certificate Legend. Each certificate, instrument, or book entry representing any Shares issued after the date hereof shall be notated by the Company with a legend reading substantially as follows:

> "THE SHARES REPRESENTED HEREBY ARE SUBJECT TO A VOTING AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY), AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT VOTING AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN."

The Company, by its execution of this Agreement, agrees that it will cause the certificates, instruments, or book entry evidencing the Shares issued after the date hereof to be notated with the legend required by this Section 6.12 of this Agreement, and it shall supply, free of charge, a copy of this Agreement to any holder of such Shares upon written request from such holder to the Company at its principal office. The parties to this Agreement do hereby agree that the failure to cause the certificates, instruments, or book entry evidencing the Shares to be notated with the legend required by this Section 6.12 herein and/or the failure of the Company to supply, free of charge, a copy of this Agreement as provided hereunder shall not affect the validity or enforcement of this Agreement.

6.13 Stock Splits, Dividends and Recapitalizations. In the event of any issuance of Shares or the voting securities of the Company hereafter to any of the Stockholders (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), such Shares shall become subject to this Agreement and shall .be notated with the legend set forth in Section 6.12.

6.14 Manner of Voting. The voting of Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law. For the avoidance of doubt, voting of the Shares pursuant to the Agreement need not make explicit reference to the terms of this Agreement.

6.15 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to carry out the intent of the parties hereunder.

6.16 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state and federal courts of Denver County, Colorado or the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the above-named courts, and (c) hereby waive, and agree not to assert, by way of motion,

as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the courts set forth in this Section 6.16 having subject matter jurisdiction.

6.17 WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE SUBJECT MATTER HEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.18 Costs of Enforcement. If any party to this Agreement seeks to enforce its rights under this Agreement by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

6.19 Aggregation of Stock. All Shares held or acquired by a Stockholder and/or its Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement, and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

[Signature Page Follows]

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

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

INVESTORS:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

[_____]

By: _____
Name: _____
Title: _____

KEY HOLDERS:

_____
[_____]

_____
[_____]

_____
[_____]

_____
[_____]

SCHEDULE A

INVESTORS

[Intentionally Omitted]

SCHEDULE B

KEY HOLDERS

[Intentionally Omitted]

EXHIBIT A

ADOPTION AGREEMENT

This Adoption Agreement **("Adoption Agreement")** is executed on _____, 20___, by the undersigned (the **"Holder")** pursuant to the terms of that certain Voting Agreement dated as of May 20, 2022 (the **"Agreement"),** by and among Mission Holdings US, Inc., a Colorado corporation (the **"Company")** and certain of its Stockholders, as such Agreement may be amended or amended and restated hereafter. Capitalized terms used but not defined in this Adoption Agreement shall have the respective meanings ascribed to such terms in the Agreement. By the execution of this Adoption Agreement, the Holder agrees as follows:

1.1 Acknowledgement. Holder acknowledges that Holder is acquiring certain shares of the capital stock of the Company (the **"Stock")** or options, warrants, or other rights to purchase such Stock (the **"Options"),** for one of the following reasons (Check the correct box):

☐ As a transferee of Shares from a party in such party's capacity as an "Investor" bound by the Agreement, and after such transfer, Holder shall be considered an "Investor" and a "Stockholder" for all purposes of the Agreement.

☐ As a transferee of Shares from a party in such party's capacity as a "Key Holder" bound by the Agreement, and after such transfer, Holder shall be considered a "Key Holder" and a "Stockholder" for all purposes of the Agreement.

☐ As a new "Investor" in accordance with Section 6.1(a) of the Agreement, in which case Holder will be an "Investor" and a "Stockholder" for all purposes of the Agreement.

☐ In accordance with Section 6.1(b) of the Agreement, as a new party who is not a new "Investor," in which case Holder will be a "Stockholder" for all purposes of the Agreement.

1.2 Agreement. Holder hereby (a) agrees that the Stock and, if applicable, Options, and any other shares of capital stock or securities required by the Agreement to be bound thereby, shall be bound by and subject to the terms of the Agreement and (b) adopts the Agreement with the same force and effect as if Holder were originally a party thereto.

1.3 Notice. Any notice required or permitted by the Agreement shall be given to Holder at the address or facsimile number listed below Holder's signature hereto.

HOLDER:	ACCEPTED AND AGREED:
By: _____	**MISSION HOLDINGS US, INC.**
Name: _____	
Title: _____	
Address: _____	By: _____
_____	Name: _____
E-mail Address: _____	Title: _____

Exhibit 10.8

EXECUTION VERSION

INVESTORS' RIGHTS AGREEMENT

MISSION HOLDINGS US, INC.

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INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT (this "Agreement"), is dated as of May 20, 2022, by and among Mission Holdings US, Inc., a Colorado corporation (the "Company"), each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "Investor", and any Additional Purchaser (as defined in the Stock Purchase Agreement (defined below)) that becomes a party to this Agreement in accordance with Section 4.10 hereof.

RECITALS

WHEREAS, the Company and the Investors are parties to that certain Preferred Stock Purchase Agreement of even date herewith (the "Stock Purchase Agreement"); and

WHEREAS, in order to induce the Company to enter into the Stock Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Stock Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement;

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "Affiliate" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

1.2 "Articles" means the Articles of Incorporation of the Company filed with the Colorado Secretary of State on November 2, 2020, as amended by the Articles of Amendment (including the Attachment to Amended Articles of Incorporation of Mission Holdings US, Inc.) filed with the Colorado Secretary of State on December 29, 2021 and the Designation, Preferences, Limitations and Relative Rights of Convertible Preferred Stock of the Company to be filed with the Colorado Secretary of State on or about the date hereof in connection with the transactions contemplated under the Stock Purchase Agreement, as may be further modified, amended, and/or restated from time to time.

1.3 "Common Stock" means shares of the Company's common stock, par value $0.0001 per share.

1.4 "Convertible Preferred Stock" means shares of the Company's Convertible Preferred Stock, par value $0.0001 per share.

1.5 "Damages" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) any omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.6 "Derivative Securities" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.7 "Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.8 "Excluded Registration" means (a) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (b) a registration relating to an SEC Rule 145 transaction; (c) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (d) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.9 "Form S-1" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.10 "Form S-3" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.11 "GAAP" means generally accepted accounting principles in the United States.

1.12 "Holder" means any holder of Registrable Securities who is a party to this Agreement.

1.13 "Immediate Family Member" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.14 "Initiating Holders" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.15 "IPO" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.16 "Major Investor" means any Investor that, individually or together with such Investor's Affiliates, holds at least ten percent (10%) of the shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof).

1.17 "New Securities" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.18 "Person" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.19 "Registrable Securities" means (i) the Common Stock issuable or issued upon conversion of the Convertible Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion or exercise of any other securities of the Company acquired by the Investors on or after the date hereof; and (iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 4.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.20 "Registrable Securities then outstanding" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable or convertible securities that are Registrable Securities.

1.21 "Restricted Securities" means the securities of the Company required to be notated with the legend set forth in Section 2.12(b) hereof.

1.22 "SEC" means the Securities and Exchange Commission.

1.23 "SEC Rule 144" means Rule 144 promulgated by the SEC under the Securities Act.

1.24 "SEC Rule 145" means Rule 145 promulgated by the SEC under the Securities Act.

1.25 "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.26 "Selling Expenses" means all underwritten offering discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) the date that is three (3) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from Holders of at least seventy five percent (75%) of the Registrable Securities then outstanding that the Company register under the Securities Act pursuant to a filing of a Form S-1 registration statement with respect to at least forty percent (40%) of the Registrable Securities then outstanding, then the Company shall (x) within ten (10) days after the date such request is given, deliver notice thereof (the "Demand Notice") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given of their desire to be included in such registration, and in each case, subject to the limitations of Sections 2.1(c) and 2.3. Each request for such registration shall specify the number of Registrable Securities requested to be included in such registration.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least ten percent (10%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $2,000,000, then the Company shall (i) within ten (10) days after the date such request is given, deliver a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given of their desire to be included in such registration, and in each case, subject to the limitations of Sections 2.1(c) and 2.3. Each request for such registration shall specify the number of Registrable Securities requested to be included in such registration.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1 a certificate signed by

the Company's chief executive officer stating that in the reasonable good faith judgment of the Company's Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, financing, securities offering or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; (iii) prevent the Company from obtaining, maintaining, or renewing cannabis licenses necessary to conduct its cannabis business operations; or (iv) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than thirty (30) days; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder of the Company during such thirty (30) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(a) (i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected one registration pursuant to Section 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Section 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Section 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d); provided, that if such withdrawal is during a period the Company has deferred taking action pursuant to Section 2.1(c), then the Initiating Holders may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Section 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of

each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Section 2.3, cause to be registered pursuant to such registration all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right, in its sole discretion, to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. A registration under this Section 2.2 shall not be considered a registration for purposes of Section 2.1. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3 Underwritten Offering Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwritten offering, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The investment banking firm or firms to act as the managing underwriter or underwriters in connection with such offering will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwritten offering and the inclusion of such Holder's Registrable Securities in the underwrittten offering to the extent provided herein. All Holders proposing to distribute their securities through such underwritten offering shall (together with the Company as provided in Section 2.4(e) enter into an underwriting agreement in customary form with the managing underwriter or underwriter(s) selected for such underwritten offering. Notwithstanding any other provision of this Section 2.3, if the managing underwriter advises the Initiating Holders in writing that in its reasonable and good faith opinion marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwritten offering shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwritten offering shall not be reduced unless all other securities are first entirely excluded from the underwritten offering.

(b) In connection with any offering involving an underwritten offering of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwritten offering unless the Holders accept the terms of the underwritten offering as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such

securities, including Registrable Securities, which the underwriters and the Company in their reasonable discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty-five percent (25%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration.

(b) prepare and file with the SEC such amendments (including post-effective amendments) and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, and any supplement thereto, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or "blue-sky" laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business, subject itself to general taxation or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwritten offering agreement with the underwriter(s) of such offering and such other customary agreements, in each case in usual and customary form;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) use its commercially reasonable efforts to obtain, or use its commercially reasonable efforts to assist any Holder in the acquisition of, any requisite regulatory approval pursuant to the rules and regulations of growing, manufacturing, selling or distribution of marijuana products, including the provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code or the rules and regulations promulgated thereunder and the similar codes applicable in state law with respect to the Company's business and the rules and regulations promulgated thereunder;

(h) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(i) promptly make available for inspection by the selling Holders, any underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(j) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(k) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

(l) notify each selling Holder, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event that would cause the prospectus included in such registration statement to contain an untrue statement of a material fact or omit any fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, and, at the request of any such holder, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(m) otherwise use its reasonable efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 (other than fees and disbursements of counsel to any Holder, which shall be borne solely by the Holder engaging such counsel) shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf. All expenses other than Selling Expenses incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees, printers' and accounting fees, and fees and disbursements of counsel for the Company shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Section 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with

reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Section 2.1(a) or 2.1(b).

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result; provided, however, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration or such Holder's failure to deliver a copy of the registration statement, prospectus, preliminary prospectus or any amendments or supplements thereto (if the same was required by applicable law to be so delivered) after the Company has furnished such Holder with a sufficient number of copies of the same prior to any written confirmation of the sale of Registrable Securities hereunder.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if

such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that this obligation to indemnify shall be several, not joint and several, for each Holder and in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such

Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Unless otherwise superseded by an underwritten offering agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies), and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of at least seventy five percent (75%) of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that (i) would provide to such holder the right to include securities in any registration on other than either a pro rata basis with respect to the Registrable Securities or on a subordinate basis after all

Holders have had the opportunity to include in the registration and offering all shares of Registrable Securities that they wish to so include; or (ii) allows such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply to any additional Investor who becomes a party to this Agreement in accordance with Section 4.10.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company for its own behalf of shares of its Common Stock and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; 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 to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.11 shall apply only to the IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwritten offering agreement, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, and shall be applicable to the Holders only if all officers and directors are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than five percent (5%) of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Convertible Preferred Stock). The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters or the Company in connection with such registration that are consistent with this Section 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements.

2.12 Restrictions on Transfer.

(a) The Convertible Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or

transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Convertible Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Convertible Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which

such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that each transferee agrees in writing to be subject to the terms of this Section 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Deemed Liquidation (as such term is defined in the Articles); and

(b) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration.

3. Information and Inspection Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Investor:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined in Section 3.1(e)) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements prepared in accordance with GAAP and reviewed by Cornelius CPAs or other independent public accountants of regionally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common

Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct;

(d) as soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(e) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "Budget"), approved by the Board of Directors and prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company;

(f) with respect to the financial statements delivered pursuant to Section 3.1(a), Section 3.1(b) and Section 3.1(d), a certificate executed by the chief executive officer of the Company certifying that such financial statements were prepared in accordance with GAAP consistently applied with prior periods (except as otherwise set forth in Section 3.1(b) or Section 3.1(d)) and fairly present the financial condition of the Company as of the dates and its results of operation for the periods specified therein; and

(g) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date thirty (30) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Section 3.1 shall be reinstated at such time as the Company is no longer

actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Investor, at such Major Investor's expense and upon reasonable notice from such Major Investor, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Termination of Information. The covenants set forth in Section 3.1 and Section 3.2 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Deemed Liquidation (as defined in the Articles), whichever event occurs first.

3.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.4 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Section 3.4; (iii) to any existing or prospective Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, provided that the Investor promptly notifies the Company of such disclosure.

4. Rights to Future Stock Issuances.

4.1 Right of First Offer.

(a) Subject to the terms and conditions of this Section 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Investor. The Company shall give

notice (the "Offer Notice") to each Major Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Major Investor (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Convertible Preferred Stock and any other Derivative Securities then held by such Investor) bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Convertible Preferred Stock and other Derivative Securities). At the expiration of such twenty (20) day period, the Company shall promptly notify each Major Investor that elects to purchase or acquire all the shares available to it (each, a "Fully Exercising Investor") of any other Major Investor's failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Major Investors were entitled to subscribe but that were not subscribed for by the Major Investors which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Convertible Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Convertible Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Section 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Section 4.1.

(d) The right of first offer in this Section 4.1 shall not be applicable to (i) Excluded Issuances (as defined in the Articles), (ii) shares of Common Stock issued in the IPO, and (iii) the issuance of shares of Convertible Preferred Stock to Additional Purchasers pursuant to the Stock Purchase Agreement.

(e) The right of first offer set forth in this Section 4.1 shall terminate with respect to any Major Investor who fails to purchase, in any transaction subject to this

Section 4.1, all of such Major Investor's pro rata amount of the New Securities allocated (or, if less than such Major Investor's pro rata amount is offered by the Company, such lesser amount so offered) to such Major Investor pursuant to this Section 4.1. Following any such termination, such Investor shall no longer be deemed a "Major Investor" for any purpose of this Section 4.1.

4.2 Termination of Right of First Offer. The covenants set forth in Section 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, or (ii) upon the closing of a Deemed Liquidation, as such term is defined in the Articles, whichever event occurs first and, as to each Major Investor, in accordance with Section 4.1(e).

5. Miscellaneous.

5.1 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Company may assign this Agreement at any time in connection with a sale or acquisition of the Company, whether by merger, consolidation, sale of all or substantially all of the Company's assets, or similar transaction, without the consent of the Investors; provided, that the successor or acquiring Person agrees in writing to assume all of the Company's rights and obligations under this Agreement. Each Investor may assign its rights hereunder to any purchaser or transferee of Registrable Securities; provided, that such purchaser or transferee shall, as a condition to the effectiveness of such assignment, be required to execute a counterpart to this Agreement agreeing to be treated as an Investor whereupon such purchaser or transferee shall have the benefits of, and shall be subject to the restrictions contained in, this Agreement as if such purchaser or transferee was originally included in the definition of an Investor herein and had originally been a party hereto. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

5.2 Governing Law. This Agreement shall be governed by the internal law of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction).

5.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

5.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

5.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) upon personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. All communications shall be sent to the respective parties at their e-mail addresses and location address as set forth on Schedule A (as applicable) hereto, or, in the case of the Company, to 1880 S. Flatiron Court, Suite E, Boulder, Colorado 80301, Attn: Doug Burkhalter, Email: dburkhalter@missionholdings.us; and a copy (which shall not constitute notice) shall also be sent to 1880 S. Flatiron Court, Suite E, Boulder, Colorado 80301, Attn: Hadley Ford, Email: hford@missionholdings.us and Berger, Cohen & Brandt, L.C., 8000 Maryland Ave., Suite 1500, Clayton, Missouri 63105, Attn: David Spewak, Email: dspewak@bcblawlc.com, or to such email address or location address as subsequently modified by written notice given in accordance with this Section 4.5.

5.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of at least seventy-five percent (75%) of the Registrable Securities then outstanding; provided that the Company may in its sole discretion waive compliance with Section 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 2.12(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Section 4.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto, and their respective heirs, legal representatives and permitted assignees. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

5.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

5.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

5.9 Indemnification Matters. The Company hereby acknowledges that any director elected to serve on the Board of Directors by the Investors, exclusively and as a separate class pursuant to the Articles (each an "Investor Director"), may have certain rights to indemnification, advancement of expenses or insurance provided by one or more of the Investors and certain of their Affiliates (collectively, the "Investor Indemnitors"). The Company hereby agrees, to the extent legally permitted and as required by the Articles or the Bylaws of the Company (or any agreement between the Company and such Investor Director), (a) that it is the indemnitor of first resort (i.e., its obligations to any such Investor Director are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Investor Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Investor Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Investor Director to the extent legally permitted and as required by the Articles or the Bylaws of the Company (or any agreement between the Company and such Investor Director),without regard to any rights such Investor Director may have against the Investor Indemnitors, and (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any such Investor Director with respect to any claim for which such Investor Director has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Investor Director against the Company. The Investor Directors and the Investor Indemnitors are intended third party beneficiaries of this Section 4.9 and shall have the right, power and authority to enforce the provisions of this Section 4.9 as though they were a party to this Agreement.

5.10 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's Convertible Preferred Stock after the date hereof, whether pursuant to the Stock Purchase Agreement or otherwise, any purchaser of such shares of Convertible Preferred Stock shall become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

5.11 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

5.12 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state and federal courts in Denver County, Colorado for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the above-named courts, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the courts set forth in clause (a) above having subject matter jurisdiction.

5.13 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

5.14 Termination. This Agreement shall terminate and be of no further force or effect when there shall no longer be any Registrable Securities outstanding; provided, that the provisions of Section 2.6 and Section 2.8 shall survive any such termination.

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

5.16 Acknowledgment. The Company acknowledges that the Investors are in the business of evaluating, making and managing investments in businesses and acquiring businesses and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise whether or not such enterprise has products or services which compete with those of the Company.

[Remainder of Page Intentionally Left Blank]

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

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

[signature Page to Investors' Rights Agreement]

INVESTORS:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

[_____]

By: _____
Name: _____
Title: _____

[signature Page to Investors' Rights Agreement]

SCHEDULE A

Investors

[Intentionally Omitted]

Exhibit 10.9

EXECUTION VERSION

RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

MISSION HOLDINGS US, INC.

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RIGHT OF FIRST REFUSAL
AND CO-SALE AGREEMENT

THIS RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT (this "Agreement"), is made as of May 20, 2022 by and among Mission Holdings US, Inc., a Colorado corporation (the "Company"), and the Investors (defined below).

WHEREAS, the Company and the Investors are parties to that certain Preferred Stock Purchase Agreement, of even date herewith (the "Stock Purchase Agreement"), pursuant to which such Investors have agreed to purchase shares of the Convertible Preferred Stock of the Company, par value $0.0001 per share (the "Preferred Stock"); and

WHEREAS, the Company desire to further induce the Investors to purchase Preferred Stock.

1. Definitions.

1.1 "Affiliate" means, with respect to any specified Investor, any other Investor who directly or indirectly, controls, is controlled by or is under common control with such Investor, including, without limitation, any general partner, managing member, officer or director of such Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, such Investor.

1.2 "Applicable Marijuana Codes" means, collectively or individually, as the context requires, any rules and regulations related to the business of growing, manufacturing, selling and/or distribution of marijuana products, including the provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code and/or the rules and regulations promulgated thereunder and the similar codes applicable in California with respect to the Company's business and the rules and regulations promulgated thereunder.

1.3 "Applicable MED" means, collectively or individually, as the context requires, the Colorado MED and any other state or local marijuana enforcement division of any state in which the Company operates.

1.4 "Articles" means the Articles of Incorporation of the Company filed with the Colorado Secretary of State on November 2, 2020, as amended by the Articles of Amendment (including the Attachment to Amended Articles of Incorporation of Mission Holdings US, Inc.) filed with the Colorado Secretary of State on December 29, 2021 and the Designation, Preferences, Limitations and Relative Rights of Convertible Preferred Stock of the Company to be filed with the Colorado Secretary of State on or about the date hereof in connection with the transactions contemplated under the Stock Purchase Agreement, as may be further modified, amended, and/or restated from time to time.

1.5 "Board of Directors" means the Company's board of directors as elected from time to time.

1.6 "Capital Stock" means (a) shares of Common Stock and Preferred Stock (whether now outstanding or hereafter issued in any context), (b) shares of Common Stock issued or issuable upon conversion of Preferred Stock, and (c) shares of Common Stock issued or issuable upon exercise or conversion, as applicable, of stock options, warrants or other convertible securities of the Company, in each case now owned or subsequently acquired by any Investor or their respective successors or permitted transferees or assigns. For purposes of the number of shares of Capital Stock held by an Investor (or any other calculation based thereon), all shares of Preferred Stock shall be deemed to have been converted into Common Stock at the then-applicable conversion price.

1.7 "Colorado MED" means the Colorado Department of Revenue, Marijuana Enforcement Division, C.R.S. §§12-43.3-101, et seq., C.R.S 12-43.4-101, et seq. and 25-1.5-101, et seq.

1.8 "Common Stock" means shares of Common Stock of the Company, $0.0001 par value per share.

1.9 "Company Notice" means written notice from the Company notifying the selling Investor that the Company intends to exercise its Right of First Refusal as to some or all of the Capital Stock with respect to any Proposed Investor Sale.

1.10 "Drag-along Sale" shall have the meaning set forth in Section 4.1. 1.11 "Family Members" shall have the meaning set forth in Section 7.2(b).

1.12 "Investor Director" means a member of the Board of Directors elected by a holder or holders of the Company's Preferred Stock exclusively and separately pursuant to the Articles.

1.13 "Investor Notice" means written notice from an Investor notifying the Company and the selling Investor that such Investor intends to exercise its Secondary Refusal Right as to a portion of the Capital Stock with respect to any Proposed Investor Sale.

1.14 "Investors" means the Persons named on Schedule A hereto, each person to whom the rights of an Investor are assigned pursuant to Section 10.9, each Person who hereafter becomes a signatory to this Agreement pursuant to Section 10.11 and any one of them, as the context may require.

1.15 "Non-Selling Investors" shall have the meaning set forth in Section 2.1(c). 1.16 "Offered Stock" shall have the meaning set forth in Section 2.1(a).

1.17 "Permitted Transfer" means a Transfer of Capital Stock carried out pursuant to Section 7.2.

1.18 "Permitted Transferee" shall have the meaning set forth in Section 7.2.

1.19 "Person" means an individual, corporation, partnership, joint venture, limited liability company, governmental authority (including, without limitation, any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision), unincorporated organization, trust, association, or other entity.

1.20 "Prohibited Transferee" shall have the meaning set forth in Section 3.3.

1.21 "Proposed Investor Sale" means any sale, offer to sell or similar transfer for value of Capital Stock (or any interest therein) proposed by any Investor, unless such sale, offer to sell or similar transfer for value is pursuant to a Sale of the Company or is an exempt transfer under Section 3.

1.22 "Proposed Investor Sale Notice" means written notice from an Investor setting forth the terms and conditions of a Proposed Investor Sale.

1.23 "Proposed Purchaser" means any Person to whom an Investor proposes to make a Proposed Investor Sale.

1.24 "Right of Co-Sale" means the right, but not an obligation, of a Non-Selling Investor to participate in a Proposed Investor Sale on the terms and conditions specified in the Proposed Investor Sale Notice.

1.25 "Right of First Refusal" means the right, but not an obligation, of the Company, or its permitted transferees or assigns, to purchase some or all of the Offered Stock with respect to a Proposed Investor Sale, on the terms and conditions specified in the Proposed Investor Sale Notice.

1.26 "Sale of the Company" means a transaction or series of related transactions in which a Person, or a group of related Persons, (a) acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a "Stock Sale"), (b) acquires, leases, transfers or exclusively licenses all or substantially all of the assets of the Company (including, without limitation, cannabis licenses and permits necessary to the Company's operations), or (c) results in a merger, consolidation, recapitalization or reorganization of the Company with or into another Person that results in the inability of the Investors to elect or designate a majority of the board of directors (or its equivalent) of the resulting entity or its parent company.

1.27 "Secondary Notice" means written notice from the Company notifying the selling Investor and the other Investors that the Company does not intend to exercise its Right of First Refusal as to all shares of Offered Stock with respect to any Proposed Investor Sale.

1.28 "Secondary Refusal Right" means the right, but not an obligation, of each Investor to purchase up to its pro rata portion (based upon the total number of shares of Capital Stock then held by all Investors) of the Offered Stock not purchased pursuant to the Right of First Refusal, on the terms and conditions specified in the Proposed Investor Sale Notice.

1.29 "Schwazze Investor" means Medicine Man Technologies, Inc. (d/b/a Schwazze), a Nevada corporation.

1.30 "Transfer" means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate, or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option, or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation, or similar disposition of, any shares of Capital Stock owned by a Person or any interest (including a beneficial interest) in any Capital Stock owned by a Person. "Transfer", when used as a noun, shall have a correlative meaning.

1.31 "Transferee" means a recipient of, or proposed recipient of, a Transfer, including a Permitted Transferee.

1.32 "Undersubscription Notice" means written notice from a Non-Selling Investor notifying the Company and the selling Investor that such Investor intends to exercise its option to purchase all or any portion of the Offered Stock not purchased pursuant to the Right of First Refusal or the Secondary Refusal Right.

2. Agreement Among the Company and the Investors.

2.1 Right of First Refusal.

(a) Grant. Subject to the terms of Section 3 below, each Investor hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Capital Stock that such Investor may propose to transfer or sell in a Proposed Investor Sale (the "Offered Stock"), at the same price and on the same terms and conditions as those offered to the Proposed Purchaser.

(b) Notice. Each Investor proposing to make a Proposed Investor Sale must deliver a Proposed Investor Sale Notice to the Company and each other Investor not later than forty-five (45) days prior to the consummation of such Proposed Investor Sale. Such Proposed Investor Sale Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Investor Sale, the identity of the Proposed Purchaser and the intended date of the Proposed Investor Sale. To exercise its Right of First Refusal under this Section 2, the Company must deliver a Company Notice to the selling Investor within fifteen (15) days after delivery of the Proposed Investor Sale Notice. In the event of a conflict between this Agreement and any other agreement that may have been entered into by an Investor with the Company that contains a preexisting right of first refusal, the Company and such Investor acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Section 2.1(a) and this Section 2.1(b).

(c) Grant of Secondary Refusal Right to Investors. Subject to the terms of Section 3 below, each Investor hereby unconditionally and irrevocably grants to the other Investors (the "Non-Selling Investors") a Secondary Refusal Right to purchase all or any portion of the Offered Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Section 2.1(b). If the Company does not intend to exercise its Right of First Refusal with respect to all of the Offered Stock subject to a Proposed Investor Sale, the

Company must deliver a Secondary Notice to the selling Investor and to all Non-Selling Investors to that effect no later than fifteen (15) days after the selling Investor delivers the Proposed Investor Sale Notice to the Company. To exercise its Secondary Refusal Right, a Non-Selling Investor must deliver an Investor Notice to the selling Investor and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence.

(d) Undersubscription of Offered Stock. If options to purchase have been exercised by the Company and the Non-Selling Investors with respect to some but not all of the Offered Stock by the end of the ten (10) day period specified in the last sentence of Section 2.1(b) (the "Investor Notice Period"), then the Company shall, immediately after the expiration of the Investor Notice Period, send written notice (the "Company Undersubscription Notice") to those Non-Selling Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "Exercising Investors"). Each Exercising Investor shall, subject to the provisions of this Section 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Offered Stock on the terms and conditions set forth in the Proposed Investor Sale Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Investor and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2) or more such Exercising Investors that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Section 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Offered Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Offered Stock that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Investor of that fact.

(e) Forfeiture of Rights. Notwithstanding the foregoing, if the total number of shares of Offered Stock that the Company and the Non-Selling Investors have agreed to purchase in the Company Notice, Investor Notices and Undersubscription Notices is less than the total number of shares of Offered Stock, then the Company and the Non-Selling Investors shall be deemed to have forfeited any right to purchase such Offered Stock, and the selling Investor shall be free to sell all, but not less than all, of such Offered Stock to the Proposed Purchaser on terms and conditions substantially similar to (and in no event more favorable than) the terms and conditions set forth in the Proposed Investor Sale Notice, it being understood and agreed that (i) any such sale or transfer shall be subject to the other terms and restrictions of this Agreement, including, without limitation, the terms and restrictions set forth in Section 2.2; (ii) any future Proposed Investor Sale shall remain subject to the terms and conditions of this Agreement, including this Section 2; and (iii) such sale shall be consummated within forty-five (45) days after receipt of the Proposed Investor Sale Notice by the Company and, if such sale is not consummated within such forty-five (45) day period, such sale shall again become subject to the Right of First Refusal and Secondary Refusal Right on the terms set forth herein.

(f) Consideration; Closing. If the consideration proposed to be paid for the Offered Stock is in property, services or other non-cash consideration, the fair market

value of the consideration shall be as determined in good faith by the Board of Directors and as set forth in the Company Notice. If the Company or any Investor cannot for any reason pay for the Offered Stock in the same form of non-cash consideration, the Company or such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board of Directors and as set forth in the Company Notice. The closing of the purchase of Offered Stock by the Company and the Non-Selling Investors shall take place, and all payments from the Company and the Non-Selling Investors shall have been delivered to the selling Investor, by the later of (i) the date specified in the Proposed Investor Sale Notice as the intended date of the Proposed Investor Sale; and (ii) forty-five (45) days after delivery of the Proposed Investor Sale Notice.

2.2 Right of Co-Sale.

(a) Exercise of Right. If any Capital Stock subject to a Proposed Investor Sale is not purchased pursuant to Section 2.1 above and thereafter is to be sold to a Proposed Purchaser, each Investor may elect to exercise its Right of Co-Sale and participate on a pro rata basis in the Proposed Investor Sale as set forth in Section 2.2(b) below and, subject to Section 2.2(d), otherwise on the same terms and conditions specified in the Proposed Investor Sale Notice. Each Investor who desires to exercise its Right of Co-Sale (each, a "Co-Sale Participant") must give the selling Investor written notice to that effect within fifteen (15) days after the deadline for delivery of the Secondary Notice described above, and upon giving such notice such Co-Sale Participant shall be deemed to have effectively exercised its Right of Co-Sale. Any Investor who fails to give the selling Investor timely notice of exercise of its Right of Co-Sale will be deemed to have waived such Investor's Right of Co-Sale with respect to the Proposed Investor Sale.

(b) Shares Includable. Each Co-Sale Participant may include in the Proposed Investor Sale all or any part of such Co-Sale Participant's Capital Stock equal to the product obtained by multiplying (i) the aggregate number of shares of Capital Stock subject to the Proposed Investor Sale (excluding shares purchased by the Company or the Co-Sale Participant pursuant to the Right of First Refusal or the Secondary Refusal Right) by (ii) a fraction, the numerator of which is the number of shares of Capital Stock owned by such Co-Sale Participant immediately before consummation of the Proposed Investor Sale (including any shares that such Investor has agreed to purchase pursuant to the Secondary Refusal Right) and the denominator of which is the total number of shares of Capital Stock owned, in the aggregate, by all Co-Sale Participants immediately prior to the consummation of the Proposed Investor Sale (including any shares that all Co-Sale Participants have collectively agreed to purchase pursuant to the Secondary Refusal Right), plus the number of shares of Capital Stock held by the selling Investor. To the extent one (1) or more of the Co-Sale Participants exercises such right of participation in accordance with the terms and conditions set forth herein, the number of shares of Capital Stock that the selling Investor may sell in the Proposed Investor Sale shall be correspondingly reduced.

(c) Purchase and Sale Agreement. The Co-Sale Participant and the selling Investor agree that the terms and conditions of any Proposed Investor Sale in accordance with this Section 2.2 will be memorialized in, and governed by, a written purchase and sale agreement with the Proposed Purchaser (the "Purchase and Sale Agreement") with customary terms and provisions for such a transaction, and the Co-Sale Participants and the selling Investor

further covenant and agree to enter into such Purchase and Sale Agreement as a condition precedent to any sale or other transfer in accordance with this Section 2.2.

(d) Allocation of Consideration. The aggregate consideration payable to the Co-Sale Participants and the selling Investor shall be allocated based on the number of shares of Capital Stock sold to the Proposed Purchaser by each Co-Sale Participant and the selling Investor as provided in Section 2.2(b), provided that if a Co-Sale Participant wishes to sell Preferred Stock and the Proposed Investor Sale Notice was with respect to Common Stock, the price set forth in the Proposed Investor Sale Notice shall be appropriately adjusted based on the conversion ratio of the Preferred Stock into Common Stock.

(e) Purchase by Selling Investor; Deliveries. Notwithstanding Section 2.2(c) above, if any Proposed Purchaser(s) refuse(s) to purchase Capital Stock subject to the Right of Co-Sale from any Co-Sale Participant(s) or upon the failure to negotiate in good faith a Purchase and Sale Agreement reasonably satisfactory to the Co-Sale Participants, no Investor may sell any Capital Stock to such Proposed Purchaser(s) unless and until, simultaneously with such sale, such Investor purchases all Capital Stock subject to the Right of Co-Sale from such Co-Sale Participant or Participants on the same terms and conditions (including the proposed purchase price) as set forth in the Proposed Investor Sale Notice and as provided in Section 2.2(d). In connection with such purchase by the selling Investor, such Co-Sale Participant(s) shall deliver to the selling Investor any stock certificate or certificates, properly endorsed for transfer, representing the Capital Stock being purchased by the selling Investor (or request that the Company effect such transfer in the name of the selling Investor). Any such shares transferred to the selling Investor will be transferred to the Proposed Purchaser against payment therefor in consummation of the sale of the Capital Stock pursuant to the terms and conditions specified in the Proposed Investor Sale Notice, and the selling Investor shall concurrently therewith remit or direct payment to each such Co-Sale Participant the portion of the aggregate consideration to which each such Co-Sale Participant is entitled by reason of its participation in such sale as provided in this Section 2.2(e).

(f) Additional Compliance. If any Proposed Investor Sale is not consummated within sixty (60) days after receipt of the Proposed Investor Sale Notice by the Company and the Investors, the Investor proposing the Proposed Investor Sale may not sell any Capital Stock of such Investor unless they first comply in full with each provision of this Section 2. The exercise or election not to exercise any right by any Investor hereunder shall not adversely affect its right to participate in any other sales of Capital Stock subject to this Section 2.2.

2.3 Effect of Failure to Comply.

(a) Transfer Void; Equitable Relief. Any Proposed Investor Sale not made in compliance with the requirements of this Agreement shall be null and void ab initio, shall not be recorded on the books of the Company or its transfer agent and shall not be recognized by the Company. Each party hereto acknowledges and agrees that any breach of this Agreement would result in substantial harm to the other parties hereto for which monetary damages alone could not adequately compensate. Therefore, the parties hereto unconditionally and irrevocably agree that any non-breaching party hereto shall be entitled to seek protective

orders, injunctive relief and other remedies available at law or in equity (including, without limitation, seeking specific performance or the rescission of purchases, sales and other transfers of Capital Stock not made in strict compliance with this Agreement).

(b) Violation of First Refusal Right. If any Investor becomes obligated to sell any Capital Stock to the Company or any Investor under this Agreement and fails to deliver such Capital Stock in accordance with the terms of this Agreement, the Company and/or such Investor may, at its option, in addition to all other remedies it may have, send to such Investor the purchase price for such Capital Stock as is herein specified and transfer to the name of the Company or such Investor (or request that the Company effect such transfer in the name of an Investor) on the Company's books any certificates, instruments, or book entry representing the Capital Stock to be sold.

(c) Violation of Co-Sale Right. If any Investor purports to sell any Capital Stock in contravention of the Right of Co-Sale (a "Prohibited Transfer"), each Investor who desires to exercise its Right of Co-Sale under Section 2.2 may, in addition to such remedies as may be available by law, in equity or hereunder, require the selling Investor to purchase from such Investor the type and number of shares of Capital Stock that such Investor would have been entitled to sell to the Proposed Purchaser had the Prohibited Transfer been effected in compliance with the terms of Section 2.2. The sale will be made on the same terms, including, without limitation, as provided in Section 2.2(d), and subject to the same conditions as would have applied had the Investor not made the Prohibited Transfer, except that the sale (including, without limitation, the delivery of the purchase price) must be made within ninety (90) days after the Investor learns of the Prohibited Transfer, as opposed to the timeframe proscribed in Section 2.2. Such Investor shall also reimburse each Investor for any and all reasonable and documented out-of-pocket fees and expenses, including reasonable legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of the Investor's Right of Co-Sale.

3. Exempt Transfers.

3.1 Exempted Transfers. Notwithstanding the foregoing or anything to the contrary herein, the provisions of Sections 2.1 and 2.2 shall not apply (a) in the case of an Investor that is an entity, upon a transfer of Capital Stock by such Investor to its stockholders, members, partners or other equity holders, (b) to a repurchase of Capital Stock from an Investor by the Company at a price pursuant to an agreement containing vesting or repurchase provisions approved by a majority of the Board of Directors, which shall include at least one (1) Investor Director (provided that at least one (1) Investor Director is elected and serving on the Board of Directors at the time of such approval) (c) to a pledge of Capital Stock that creates a mere security interest in the pledged Capital Stock, provided that the pledgee thereof agrees in writing in advance to be bound by and comply with all applicable provisions of this Agreement to the same extent as if it were the Investor making such pledge, or (d) in the case of an Investor that is a natural person, upon a transfer of Capital Stock by such Investor made for bona fide estate planning purposes, either during his or her lifetime or on death by will or intestacy to his or her spouse, child (natural or adopted), or any other direct lineal descendant of such Investor (or his or her spouse) (all of the foregoing collectively referred to as "family members"), or any other relative approved by unanimous consent of the Board of Directors, or any custodian or trustee of any trust, partnership or limited liability company for the benefit of, or the ownership interests of

which are owned wholly by such Investor or any such family members; provided that in the case of clause(s) (a), (c), or (d), the Investor shall deliver prior written notice to the other Investors of such pledge, gift or transfer and such shares of Capital Stock shall at all times remain subject to the terms and restrictions set forth in this Agreement and such transferee shall, as a condition to such issuance, deliver a counterpart signature page to this Agreement as confirmation that such transferee shall be bound by all the terms and conditions of this Agreement as an Investor (but only with respect to the securities so transferred to the transferee), including the obligations of an Investor with respect to Proposed Investor Sale of such Capital Stock pursuant to Section 2; and provided further in the case of any transfer pursuant to clause (a) or (d) above, that such transfer is made pursuant to a transaction in which there is no consideration actually paid for such transfer.

3.2 Exempted Offerings. Notwithstanding the foregoing or anything to the contrary herein, the provisions of Section 2 shall not apply to the sale of any Capital Stock to the public in an offering pursuant to an effective registration statement under the Securities Act of 1933, as amended.

3.3 Prohibited Transferees. Notwithstanding the foregoing, no Investor shall transfer or sell any Capital Stock to (a) any entity which, in the determination of the Board of Directors, directly or indirectly competes with the Company; or (b) any customer, distributor or supplier of the Company, if the Board of Directors should determine that such transfer or sale would result in such customer, distributor or supplier receiving information that would place the Company at a competitive disadvantage with respect to such customer, distributor or supplier (each, a "Prohibited Transferee").

4. Drag-Along Right.

4.1 Actions to be Taken. In the event that both the Board of Directors and Investors owning shares of Capital Stock representing more than fifty percent (50%) of the outstanding voting power of the Company approves a Sale of the Company or the Schwazze Investor elects to exercise the Buy-Out Option pursuant to Section 6 (a "Drag-along Sale"), then each Investor and the Company hereby agree, upon conversion of such Investor's Capital Stock (if applicable):

(a) if such transaction requires stockholder approval, with respect to all shares of Capital Stock (the "Shares") that such Investor owns or over which such Investor otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment to the Articles required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company;

(b) if such transaction is a Stock Sale, to sell the same proportion of Capital Stock beneficially held by such Investor as is being sold by the selling Investors to the Person to whom the selling Investors propose to sell their Shares, and, except as permitted in Section 4.3 below, on the same terms and conditions as the selling Investors;

(c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the selling Investors in order to carry out the terms and provision of this Section 3, including, without limitation, executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, regulatory approval, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances), and any similar or related documents;

(d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquirer in connection with the Sale of the Company;

(e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company;

(f) if the consideration to be paid in exchange for the Shares pursuant to this Section 4 includes any securities and due receipt thereof by any Investor would require under applicable law (x) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Investor of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Investor in lieu thereof, against surrender of the Shares which would have otherwise been sold by such stockholder, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Investor would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and

(g) in the event that the selling Investors, in connection with such Sale of the Company, appoint an stockholder representative (the "Stockholder Representative") with respect to matters affecting the Investors under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Investor's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Investors, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Investor with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct.

4.2 Exceptions. Notwithstanding the foregoing, an Investor will not be required to comply with Section 4.1 above in connection with any proposed Sale of the Company (the "Proposed Sale"), unless:

(a) any representations and warranties to be made by such Investor in connection with the Proposed Sale are limited to representations and warranties related to authority, ownership and the ability to convey title to such Shares, including, but not limited to, representations and warranties that (i) the Investor holds all right, title and interest in and to the Shares such Investor purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of the Investor in connection with the transaction have been duly authorized, if applicable, (iii) the documents to be entered into by the Investor have been duly executed by the Investor and delivered to the acquirer and are enforceable against the Investor in accordance with their respective terms; and (iv) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Investor's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;

(b) the Investor shall not be liable for the inaccuracy of any representation or warranty made by any other Person in connection with the Proposed Sale, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders);

(c) the liability for indemnification, if any, of such Investor in the Proposed Sale and for the inaccuracy or breach of any representations and warranties made by the Company or its stockholders (including the Investor) in connection with such Proposed Sale, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders), and is pro rata in proportion to, and does not exceed, the amount of consideration paid to such Investor in connection with such Proposed Sale; and

(d) upon the consummation of the Proposed Sale (i) each holder of each class or series of the Company's stock will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock, (ii) each holder of Preferred Stock will receive the same amount of consideration per share of Preferred Stock as is received by other holders in respect of their shares of such same series, (iii) each holder of Common Stock will receive the same amount of consideration per share of Common Stock as is received by other holders in respect of their shares of Common Stock, and (iv) unless the holders of at least seventy-five percent (75%) of the Preferred Stock elect to receive a lesser amount by written notice given to the Company at least ten (10) days prior to the effective date of any such Proposed Sale, the aggregate consideration receivable by all holders of the Preferred Stock and Common Stock shall be allocated among the holders of Preferred Stock and Common Stock on the basis of the relative liquidation preferences to which the holders of each respective series of Preferred Stock and the holders of Common

Stock are entitled in a Deemed Liquidation (as defined in the Articles) (assuming for this purpose that the Proposed Sale is a Deemed Liquidation) in accordance with the Articles in effect immediately prior to the Proposed Sale; provided, however, that, notwithstanding the foregoing, if the consideration to be paid in exchange for the Investor's Shares pursuant to this Section 4.2(d) includes any securities and due receipt thereof by any Investor would require under applicable law (x) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Investor of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Investor in lieu thereof, against surrender of the Investor's Shares which would have otherwise been sold by such Investor, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Investor would otherwise receive as of the date of the issuance of such securities in exchange for the Investor's Shares.

4.3 Restrictions on Sales of Control of the Company. No Investor shall be a party to any Stock Sale unless all holders of Preferred Stock are allowed to participate in such transaction and the consideration received pursuant to such transaction is allocated among the parties thereto in the manner specified in the Articles in effect immediately prior to the Stock Sale (as if such transaction were a Deemed Liquidation (as defined in the Articles)), unless the holders of at least seventy-five percent (75%) of the Preferred Stock elect otherwise by written notice given to the Company at least forty-five (45) days prior to the effective date of any such transaction or series of related transactions.

4.4 Irrevocable Proxy and Power of Attorney. Each party to this Agreement hereby constitutes and appoints as the proxies of the party and hereby grants a power of attorney to the President of the Company, and a designee of the selling Investors, and each of them, with full power of substitution, with respect to the matters set forth in this Section 4, including, without limitation, votes regarding any Sale of the Company pursuant to this Section 4, and hereby authorizes each of them to represent and vote, if and only if the party (i) fails to vote, or (ii) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of such party's Shares in favor of the approval of any Sale of the Company pursuant to and in accordance with the terms and provisions of this Section 4 or to take any action necessary to effect this Section 4. Each of the proxy and power of attorney granted pursuant to the immediately preceding sentence is given in consideration of the agreements and covenants of the Company and the parties in connection with the transactions contemplated by this Agreement and, as such, each is coupled with an interest and shall be irrevocable unless and until this Agreement terminates or expires pursuant to Section 10.1 or Section 10.8. Each party hereto hereby revokes any and all previous proxies or powers of attorney with respect to the Shares and shall not hereafter, unless and until this Agreement terminates or expires pursuant to Section 10.1 or Section 10.8 hereof, purport to grant any other proxy or power of attorney with respect to any of the Shares, deposit any of the Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any Person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of the Shares, in each case, with respect to any of the matters set forth herein.

4.5 Manner of Voting. The voting of Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law. For the avoidance of doubt, voting of the Shares pursuant to this Agreement need not make explicit reference to the terms of this Agreement.

5. Investor Suitability.

5.1 General. The Investors acknowledge and understand that (a) part of the business of the Company is to grow, manufacture, sell and distribute marijuana products in accordance with the laws, rules and regulation in the states in which it operates, including without limitation, Colorado law and the rules and regulations issued by the Colorado MED, (b) the Company is not permitted to issue any Preferred Stock (or any other Capital Stock or other equity interest) to any Person or entity that cannot qualify or would be unsuitable for qualification under the provisions of the Applicable Marijuana Codes, and (c) the issuance of any Preferred Stock (or any other Capital Stock or other equity interest) in violation of this provision shall be void and any such Preferred Stock (or Capital Stock or other equity interest) shall be deemed not to be issued and outstanding until (i) the Company shall cease to be subject to the jurisdiction of any Applicable MED, or (ii) each Applicable MED shall, by affirmative action, validate said issuance or waive any defect in issuance.

5.2 Transfer Restriction. No Preferred Stock (or any other Capital Stock or other equity interest) or other interest issued by the Company and no interest, claim or charge therein or thereto shall be transferred in any manner whatsoever except in accordance with the terms and provisions of this Agreement and the provisions of the Applicable Marijuana Codes, including any necessary consent or approval requirements promulgated thereunder. Any transfer in violation thereof shall be void until (a) the Company shall cease to be subject to the jurisdiction of any Applicable MED, or (b) each Applicable MED shall, by affirmative action, validate said transfer or waive any defect in said transfer.

5.3 Repurchase Right Related To Suitability.

(a) If any Applicable MED at any time determines that any Investor (other than the Schwazze Investor) is unsuitable to hold any Preferred Stock (or any other Capital Stock or other equity interest) or other interest that prevents the Company from obtaining, maintaining, or renewing any cannabis license necessary to conduct the Company's cannabis business activities, then the Company may, within sixty (60) days after the finding of unsuitability, purchase such Preferred Stock or other interests of such unsuitable Investor at an amount of consideration equal to the current market price as of the date of the finding of unsuitability as determined by a mutually agreed upon third party, which amount shall be paid by the Company, in the Company's sole discretion and subject in all respect to the provisions of the Applicable Marijuana Codes and the approval of the Applicable MEDs, as follows:

(i) in cash, or

(ii) by an unsecured, non-recourse, non-convertible promissory note (y) with an interest rate equal to the prime rate published in the Wall Street Journal on the

date of issuance of such note plus 3% per annum, and (z) payable over a period of five (5) years in quarterly installments of principal and accrued interest.

(b) If any Applicable MED at any time determines that the Schwazze Investor is unsuitable to hold any Preferred Stock (or any other Capital Stock or other equity interest) or other interest that prevents the Company from obtaining, maintaining, or renewing any cannabis license necessary to conduct the Company's cannabis business activities, then the Company and the Schwazze Investor will work together in good faith to determine and agree upon an appropriate remedy acceptable to both parties for a reasonable period of time after the finding of unsuitability (but in no event more than thirty (30) days thereafter), provided that such remedy shall occur within sixty (60) days after the finding of unsuitability; provided, however, if such remedy is not determined and agreed upon by both parties during such thirty (30) period of time, then the Company may purchase such Preferred Stock or other interests of the Schwazze Investor in accordance with the terms of Section 5.3(a).

5.4 Other Restrictions.

(a) Any Investor found unsuitable by an Applicable MED shall not hold directly or indirectly the beneficial ownership of any share, membership interest, or other interest in or to a licensee or holding company or intermediary company thereof beyond that period of time prescribed by the Applicable MED, and must be removed immediately from any position as a director, officer, member, manager or employee of such licensee or holding company or intermediary company thereof. In refusing to grant approval for the transfer of an interest or other involvement with a licensee, the Applicable MED or local licensing authority may determine that an individual or Person is unsuitable. In reviewing an application for licensure, the Applicable MED or local licensing authority may determine that an individual or Person is unsuitable.

(b) If the Applicable MED or local licensing authority determines a licensee or affiliated company thereof to be unsuitable or takes other disciplinary action, or if the licensee or affiliated company thereof, after the Applicable MED or local licensing authority serves notice to the licensee or affiliated company thereof, that a Person is unsuitable to be a stockholder, member or manager or to have any other direct or indirect relationship or involvement with such licensee or affiliated company thereof, the Company shall not:

(i) pay to any Person found to be unsuitable any dividend or interest on any stock or other interest, or make any payment or distribution of any kind whatsoever to such Person, except as expressly permitted herein for the buyout of the unsuitable Person;

(ii) recognize the exercise by any such unsuitable Person, directly or indirectly, or through any proxy, trustee or nominee, of any voting right conferred by any securities or interest in any securities; or

(iii) pay to any such unsuitable Person any remuneration in any form for services rendered.

(c) The Company is obligated to pursue all lawful efforts to require such unsuitable Investor to relinquish all Preferred Stock and any other securities, membership interest and/or other interest, including, if necessary, the immediate purchase of such Preferred Stock or other securities, membership interest and/or other interest by the Company in accordance with the terms hereof.

5.5 Cooperation Upon Conversion. Each Investor acknowledges and understands that any conversion of shares of Preferred Stock may require the approval of both state and local licensing authorities (including, without limitation, any Applicable MED). Upon any such conversion, the applicable Investor agrees to cooperate and comply with any and all requirements and conditions to obtain the approval of state and local licensing authorities (including, without limitation, any Applicable MED) with respect to such conversion.

6. Buy-Out Option - Schwazze Investor. During the period commencing on the date hereof through the third anniversary thereof, the Schwazze Investor shall have the right to purchase all, but not less than all, of the issued and outstanding shares of Capital Stock of the Company (the "Buy-Out Option"), subject to the following terms and conditions:

(a) The value of the issued and outstanding shares of Capital Stock in the purchase of the Company pursuant to the Buy-Out Option (the "Buy-Out") shall be calculated as the greater of: (i) the Company's LTM EBITDA multiplied by the greater of (A) 8.0x, or (B) 60% of the LTM EBITDA multiple of the Schwazze Investor (the "Schwazze Investor Multiple"), less the amount of debt of the Company, plus the amount of cash of the Company; or (ii) $1.82 per share of Capital Stock issued and outstanding. "LTM EBITDA" shall mean EBITDA measured for the period of the most recent twelve (12) consecutive months ending prior to the date of such determination. "EBITDA" shall, for a given period, mean net income, plus income taxes, plus interest expense, plus depreciation, plus amortization, as adjusted (i) for such pro forma adjustments giving effect to any acquisition, disposition or investment, as applicable, since the start of such period, (ii) for any "extraordinary items" of gain or loss as that term is defined by generally accepted account principles in the United States, and (iii) with respect to determining the Company's EBITDA, to add back the cash salary of each employee of the Company that will not become an employee of the Schwazze Investor after the Buy-Out and the amount of any monitoring fees paid or owed to an Investor during such period.

(b) The Schwazze Investor Multiple shall be calculated using the 30-day variable weighted average price of the Schwazze Investor's stock and will be measured from the date of the written notice to the Company and each Investor of the Schwazze Investor's intention to purchase all of the Capital Stock of the Company.

(c) The Schwazze Investor shall have the right to exercise the Buy-Out Option on the 36th and 48th month anniversary of the date hereof (each, an "Anniversary Date"). The Schwazze Investor shall provide written notice (each, a "Notice of Exercise Consideration") to the Company ten (10) days prior to an Anniversary Date of its desire to consider exercising the Buy-Out Option on such Anniversary Date and to make a request to inspect the books and records of the Company and to receive any other reasonably requested information with respect to the Buy-Out Option. Within ten (10) days of receipt of any such Notice of Exercise Consideration, the Company shall make such books and records available to the Schwazze

Investor, during normal business hours and at its principal office, and provide such requested information to the Schwazze Investor. In such case, the Schwazze Investor shall have sixty (60) days from its access to such books and records and receipt of the requested information (the "Exercise Consideration Period") to determine, and notify the Company and each Investor in writing, whether it will exercise the Buy-Out Option.

(d) If the Schwazze Investor elects not to exercise the Buy-Out Option on any Anniversary Date (either by not delivering a Notice of Exercise Consideration as required pursuant to Section 6(c) with respect to such Anniversary Date or, if the Schwazze Investor delivered a Notice of Exercise Consideration as required pursuant to Section 6(c) with respect to such Anniversary Date, but then determined not to exercise the Buy-Out Option prior to the expiration of the Exercise Consideration Period), the Company shall have the right to accept an offer to purchase all, but not less than all, of the issued and outstanding shares of Capital Stock of the Company from another Person, subject to the other terms of this Agreement, during the thirty (30) day period after the following applicable date: (i) such Anniversary Date if the Schwazze Investor does not deliver a Notice of Exercise Consideration as required pursuant to Section 6(c) with respect to such Anniversary Date, or (ii) the date that is the last day of the Exercise Consideration Period if the Schwazze Investor delivered a Notice of Exercise Consideration as required pursuant to Section 6(c) with respect to such Anniversary Date, but then determined not to exercise the Buy-Out Option prior to the expiration of the Exercise Consideration Period. If an offer from another Person is accepted by the Company during such thirty (30) day period, the Buy-Out Option will no longer be in effect; and

(e) The consideration paid by the Schwazze Investor pursuant to the Buy-Out Option must be comprised of at least forty percent (40%) cash and at least forty percent (40%) of the Schwazze Investor's common stock, unless other amounts of consideration are agreed to by the Schwazze Investor, the Company and the Investors.

7. Transfers.

7.1 General Restrictions on Transfers.

(a) General Restrictions. Each Investor acknowledges and agrees that such Investor (or any Permitted Transferee of such Investor) shall not Transfer any Capital Stock except:

(i) as permitted pursuant to Section 7.2; or

(ii) in strict accordance with the restrictions, conditions, and procedures described in any other provision of this Agreement, as applicable.

(b) Other Restrictions. Notwithstanding any other provision of this Agreement (including Section 7.2), no Investor shall, directly or indirectly, Transfer any of its Capital Stock:

(i) except upon the authorization and approval of such Transfer by the Board of Directors;

(ii) except as permitted under, and in accordance with, Colorado law, Applicable Marijuana Codes, and the rules and regulation issued by the Applicable MED and any other state or local rules and regulations that may affect such a business;

(iii) except as permitted under the Securities Act and other applicable federal or state securities or blue sky laws, and then, with respect to a Transfer of Capital Stock, if requested by the Company, only upon delivery to the Company of a written opinion of counsel in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act;

(iv) if such Transfer would cause the Company to be required to register as an investment company under the Investment Company Act of 1940, as amended;

(v) if such Transfer would cause the assets of the Company to be deemed "Plan Assets" as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any "prohibited transaction" thereunder involving the Company; or

(vi) to a Prohibited Transferee pursuant to Section 3.3.

(c) Joinder Agreement. Except with respect to any Transfer pursuant to a Drag-along Sale, no Transfer of Capital Stock pursuant to any provision of this Agreement shall be deemed completed until the Transferee shall have entered into a Joinder Agreement, in form and substance satisfactory to the Company.

(d) Transfers in Violation of this Agreement. Any Transfer or attempted Transfer of any Capital Stock in violation of this Agreement, including any failure of a Transferee, as applicable, to enter into a Joinder Agreement pursuant to Section 7.1(c), shall be null and void, no such Transfer shall be recorded on the Company's books, and the purported Transferee in any such Transfer shall not be treated (and the Investor proposing to make any such Transfer shall continue be treated) as the owner of such Capital Stock for all purposes of this Agreement.

7.2 Permitted Transfers. Subject to Section 7.1, including the requirement to enter into a Joinder Agreement pursuant to Section 7.1(c), the provisions of Sections 2.1, 2.2 and 4.1 shall not apply to any of the following Transfers by any Investor of any of its Capital Stock to the following Person(s) (each, a "Permitted Transferee"):

(a) to any Affiliate of any such entity Investor;

(b) to any such individual Investor's spouse, siblings, descendants (including adoptive relationships and stepchildren), and the spouses of each such natural persons collectively, "Family Members");

(c) a trust under which the distribution of Capital Stock may be made only to such individual Investor and/or any Family Members of such individual Investor;

(d) a corporation, partnership, or limited liability company, the stockholders, partners, or members of which are only such individual Investor and/or Family Members of such individual Investor;

(e) for bona fide estate planning purposes, either by will or by the laws of intestate succession, to such individual Investor's executors, administrators, testamentary trustees, legatees, or beneficiaries; or

(f) as set forth in Section 3.1.

8. Legend. Each certificate, instrument, or book entry representing shares of Capital Stock held by the Investors or issued to any permitted transferee in connection with a transfer permitted by Section 3.1 hereof shall be notated with the following legend:

> THE SALE, PLEDGE, HYPOTHECATION, OR TRANSFER OF THE SECURITIES REPRESENTED HEREBY IS SUBJECT TO, AND IN CERTAIN CASES PROHIBITED BY, THE TERMS AND CONDITIONS OF A CERTAIN RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT BY AND AMONG THE STOCKHOLDER, THE CORPORATION AND CERTAIN OTHER HOLDERS OF STOCK OF THE CORPORATION. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE CORPORATION.

Each Investor agrees that the Company may instruct its transfer agent to impose transfer restrictions on the shares notated with the legend referred to in this Section 5 above to enforce the provisions of this Agreement, and the Company agrees to promptly do so. The legend shall be removed upon termination of this Agreement at the request of the holder.

9. Lock-Up.

9.1 Agreement to Lock-Up. Each Investor hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the Company's initial public offering (the "IPO") and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days) (a) lend, 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 to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Capital Stock held immediately prior to the effectiveness of the registration statement for the IPO; or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Capital Stock, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Capital Stock or other securities, in cash or otherwise. The foregoing provisions of this Section 9 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to the Investors if all officers, directors and holders of more than one percent (1%) of the outstanding Common Stock (after giving effect to the conversion into Common Stock of all outstanding Preferred Stock) enter into similar agreements. The underwriters in connection with the IPO are intended third-party beneficiaries of this Section 9 and shall have the right, power

and authority to enforce the provisions hereof as though they were a party hereto. Each Investor further agrees to execute such agreements as may be reasonably requested by the underwriters in the IPO that are consistent with this Section 9 or that are necessary to give further effect thereto.

9.2 Stop Transfer Instructions. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the shares of Capital Stock of each Investor (and transferees and assignees thereof) until the end of such restricted period.Miscellaneous.

10.1 Term. This Agreement shall automatically terminate upon the earlier of (a) immediately prior to the consummation of the Company's IPO (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to its stock option, stock purchase or similar plan or an SEC Rule 145 transaction); and (b) the consummation of a Sale of the Company and distribution of proceeds to or escrow for the benefit of the Investors in accordance with the Articles, provided that the provisions of Section 4 hereof will continue after the closing of any Sale of the Company to the extent necessary to enforce the provisions of Section 4 with respect to such Sale of the Company.

10.2 Stock Split. All references to numbers of shares in this Agreement shall be appropriately adjusted to reflect any stock dividend, split, combination or other recapitalization affecting the Capital Stock occurring after the date of this Agreement.

10.3 Ownership. Each Investor represents and warrants that such Investor is the sole legal and beneficial owner of the shares of Capital Stock subject to this Agreement and that no other Person or entity has any interest in such shares (other than a community property interest as to which the holder thereof has acknowledged and agreed in writing to the restrictions and obligations hereunder).

10.4 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state and federal courts of Denver County, Colorado or the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the above-named courts, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE SUBJECT MATTER HEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS

BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the courts set forth in clause (a) above having subject matter jurisdiction.

10.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. All communications shall be sent to the respective parties at their e-mail address and location address as set forth on Schedule A hereof or to such email address or location address as subsequently modified by written notice given in accordance with this Section 10.5. If notice is given to the Company, it shall be sent to 1880 S. Flatiron Court, Suite E, Boulder, Colorado 80301, Attn: Doug Burkhalter, Email: dburkhalter@missionholdings.us; and a copy (which shall not constitute notice) shall also be sent to 1880 S. Flatiron Court, Suite E, Boulder, Colorado 80301, Attn: Hadley Ford, Email: hford@missionholdings.us and Berger, Cohen & Brandt, L.C., 8000 Maryland Ave., Suite 1500, Clayton, Missouri 63105, Attn: David Spewak, Email: dspewak@bcblawlc.com.

10.6 Entire Agreement.This Agreement (including, the Exhibits and Schedules hereto) constitutes the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties are expressly canceled.

10.7 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

10.8 Amendment; Waiver and Termination. This Agreement may be amended, modified or terminated (other than pursuant to Section 10.1 above) and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by (a) the Company, and (b) the holders of seventy-five percent (75%) of the shares of Common Stock issued or issuable upon conversion of the then outstanding shares of Preferred Stock held by the Investors (voting as a single class and on an as-converted basis). Any amendment, modification, termination or waiver so effected shall be binding upon the Company, the Investors and all of their respective successors and permitted assigns whether or not such party, assignee or other shareholder entered into or approved such amendment, modification, termination or waiver. Notwithstanding the foregoing, (i) this Agreement may not be amended, modified or terminated and the observance of any term hereunder may not be waived with respect to any Investor without the written consent of such Investor unless such amendment, modification, termination or waiver applies to all Investors in the same fashion, (ii) this Agreement may not be amended, modified or terminated and the observance of any term hereunder may not be waived with respect to any Investor without the written consent of such Investor, if such amendment, modification, termination or waiver would adversely affect the rights of such Investor in a manner disproportionate to any adverse effect such amendment, modification, termination or waiver would have on the rights of the other Investors under this Agreement, and (iii) Schedule A hereto may be amended by the Company from time to time in accordance with the Stock Purchase Agreement to add information regarding Additional Purchasers (as defined in the Stock Purchase Agreement) without the consent of the other parties hereto. The Company shall give prompt written notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

10.9 Assignment of Rights.

(a) Subject to the rights and restrictions on Transfers set forth in this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any Investor except as provided in this Agreement (or as otherwise consented to in a prior writing by the Company and all of the other Investors) and any such assignment in violation of this Agreement shall be null and void. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

(b) The rights of the Investors hereunder are not assignable without the Company's written consent (which shall not be unreasonably withheld, delayed or conditioned), except (i) by an Investor to any Affiliate, or (ii) to an assignee or transferee who acquires shares of Capital Stock as permitted under this Agreement, including to any Permitted Transferee, it being acknowledged and agreed that any such assignment, including an assignment contemplated by the preceding clauses (i) or (ii), shall be subject to and conditioned upon any such assignee's delivery to the Company and the other Investors of a counterpart signature page hereto pursuant

to which such assignee shall confirm their agreement to be subject to and bound by all of the provisions set forth in this Agreement that were applicable to the assignor of such assignee.

(c) Except in connection with an assignment by the Company in connection with a sale or acquisition of the Company, whether by merger, consolidation, sale of all or substantially all of the Company's assets, or similar transaction, the rights and obligations of the Company hereunder may not be assigned under any circumstances; provided, that the successor or acquiring Person agrees in writing to assume all of the Company's rights and obligations under this Agreement.

10.10 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

10.11 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Preferred Stock after the date hereof, or as a result of a Transfer permitted pursuant to this Agreement, any purchaser or transferee of such shares of Preferred Stock shall become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement to the Company and the other Investors confirming their agreement to be subject to and bound by all of the provisions set forth in this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

10.12 Governing Law. This Agreement shall be governed by the internal law of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction).

10.13 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

10.14 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

10.15 Covenants of the Company. The Company agrees to use its best efforts, within the requirements of applicable law, to ensure that the rights granted under this Agreement are effective and that the parties enjoy the benefits of this Agreement.

10.16 Specific Performance. Each party acknowledges and agrees that each party hereto will be irreparably damaged in the event any of the provisions of this Agreement are

not performed by the parties in accordance with their specific terms or are otherwise breached. Accordingly, in addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each Investor shall be entitled to specific performance of the agreements and obligations of the Company and the other Investors hereunder and to such other injunction or other equitable relief as may be granted by a court of competent jurisdiction.

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

10.18 Consent of Spouse. If any Investor is married on the date of this Agreement, such Investor's spouse shall execute and deliver to the Company a Consent of Spouse in the form of Exhibit A hereto (a "Consent of Spouse"), effective on the date hereof. Notwithstanding the execution and delivery thereof, such consent shall not be deemed to confer or convey to the spouse any rights in such Investor's shares of Capital Stock that do not otherwise exist by operation of law or the agreement of the parties. If any Investor should marry or remarry subsequent to the date of this Agreement, such Investor shall within thirty (30) days thereafter obtain his/her new spouse's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by causing such spouse to execute and deliver a Consent of Spouse acknowledging the restrictions and obligations contained in this Agreement and agreeing and consenting to the same.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

INVESTORS:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

[_____]

By: _____
Name: _____
Title: _____

SCHEDULE A
INVESTORS

[Intentionally Omitted]

EXHIBIT A

CONSENT OF SPOUSE

I, _____, spouse of _____, acknowledge that I have read the Right of First Refusal and Co-Sale Agreement, dated as of May 20, 2022, to which this Consent is attached as Exhibit A (the "Agreement"), and that **I** know the contents of the Agreement. I am aware that the Agreement contains provisions regarding certain rights to certain other holders of Capital Stock of the Company upon a Proposed Investor Sale of shares of Capital Stock of the Company which my spouse may own including any interest I might have therein.

I hereby agree that my interest, if any, in any shares of Capital Stock of the Company subject to the Agreement shall be irrevocably bound by the Agreement and further understand and agree that any community property interest I may have in such shares of Capital Stock of the Company shall be similarly bound by the Agreement.

I am aware that the legal, financial and related matters contained in the Agreement are complex and that I am free to seek independent professional guidance or counsel with respect to this Consent. I have either sought such guidance or counsel or determined after reviewing the Agreement carefully that I will waive such right.

Dated as of the 20th day of May, 2022.

_____
Signature

_____
Print Name

Exhibit 10.10

EXECUTION VERSION

STOCKHOLDERS AGREEMENT

among

MISSION HOLDINGS US, INC.

and

EACH PERSON IDENTIFIED ON SCHEDULE A

dated as of

May 20, 2022

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STOCKHOLDERS AGREEMENT

This STOCKHOLDERS AGREEMENT (this **"Agreement"),** dated as of May 20, 2022 (the **"Effective Date"),** is entered into among Mission Holdings US, Inc., a Colorado corporation (the **"Company"),** each Person identified on **Schedule A** hereto (each, an **"Initial Stockholder"** and collectively, the **"Initial Stockholders"),** and each other Person who after the date hereof acquires Shares of the Company and becomes a party to this Agreement by executing a Joinder Agreement (such Persons, collectively with the Initial Stockholders, the **"Stockholders").**

RECITALS

WHEREAS, the Initial Stockholders have formed the Company for the purposes of conducting and operating the Business (defined below);

WHEREAS, the Company has authorized 70,000,000 Shares (defined below);

WHEREAS, as of the date hereof, each Stockholder owns the number and percentage of the issued and outstanding Shares set forth opposite the Stockholder's name on **Schedule A** hereto; and

WHEREAS, the Initial Stockholders and the other parties hereto deem it in their best interests and in the best interests of the Company to set forth in this Agreement their respective rights and obligations in connection with their investment in the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

Capitalized terms used herein and not otherwise defined shall have the meanings specified or referenced in this Article I.

"Acceptance Notice" has the meaning set forth in Section 4.01(c).

"Affiliate" means with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control," when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings.

"Agreement" has the meaning set forth in the preamble.

"Applicable Law" means all applicable provisions of: (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations, or orders of any Governmental Authority; (b) any consents or approvals of any

Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

"Applicable MED" means, collectively or individually, as the context requires, the Colorado MED and any other state or local marijuana enforcement division of any state in which the Company operates.

"Articles of Incorporation" means the Articles of Incorporation of the Company filed with the Colorado Secretary of State on November 2, 2020, as amended by the Articles of Amendment (including the Attachment to Amended Articles of Incorporation of Mission Holdings US, Inc.) filed with the Colorado Secretary of State on December 29, 2021 and the Designation, Preferences, Limitations and Relative Rights of Convertible Preferred Stock of the Company to be filed with the Colorado Secretary of State on or about the date hereof in connection with the transactions contemplated under the Stock Purchase Agreement, as may be further modified, amended, and/or restated from time to time.

"Board" has the meaning set forth in Section 2.01(a).

"Business" means growing, manufacturing, selling and distributing hemp and marijuana and hemp and marijuana products.

"Business Day" means a day other than a Saturday, Sunday, or other day on which commercial banks in the State of Colorado are authorized or required to close.

"By-Laws" means the by-laws of the Company, as amended, modified, supplemented, or restated from time to time in accordance with the terms of this Agreement.

"CBCA" means the Colorado Business Corporation Act, as amended from time to time and including any successor legislation thereto and any regulations promulgated thereunder.

"Colorado MED" means the Colorado Department of Revenue, Marijuana Enforcement Division, C.R.S. §§12-43.3-101, et seq., C.R.S 12-43.4-101, et seq. and 25-1.5-101, et seq.

"Company" has the meaning set forth in the preamble.

"Company ROFR Notice" has the meaning set forth in Section 3.02(d).

"Company ROFR Notice Period" has the meaning set forth in Section 3.02(d).

"Company ROFR Waiver Notice" has the meaning set forth in Section 3.02(e).

"Competitor" means any Person that, directly or indirectly, competes with the Company in the Business (or any portion thereof) and/or whose business is or includes the Business (or any portion thereof).

"Confidential Information" has the meaning set forth in Section 5.02(a).

"Corporate Opportunity" has the meaning set forth in Section 5.01.

"Director" has the meaning set forth in Section 2.01(a).

"Disability" has the meaning set forth in Section 3.03(b).

"Divorce" means any legal proceeding to terminate or dissolve, or separate the Marital Relationship of a Stockholder, and includes an action for annulment, legal separation, or similar proceeding that involves a judicial division of joint or marital property of the Stockholder and his or her Spouse.

"Effective Date" has the meaning set forth in the preamble.

"Excluded Securities" means any Shares or other equity securities issued in connection with: (a) a grant to any existing or prospective consultants, employees, officers, or Directors pursuant to any stock option, employee stock purchase, or similar equity-based plans or other compensation agreement; (b) the exercise or conversion of options to purchase Shares, or Shares issued to any existing or prospective consultants, employees, officers, or Directors pursuant to any stock option, employee stock purchase, or similar equity-based plans or any other compensation agreement; (c) the conversion or exchange of any securities of the Company into Shares; (d) any acquisition by the Company of the shares of stock, assets, properties, or business of any Person; (e) any merger, consolidation, or other business combination involving the Company; (f) a share split, share dividend, or any similar recapitalization; or (f) any issuance of Financing Equity, in each case, approved in accordance with the terms of this Agreement.

"Exercise Period" has the meaning set forth in Section 4.01(c).

"Exercising Stockholder" has the meaning set forth in Section 4.01(d).

"Family Member" means with respect to any Stockholder that is a natural person, such Stockholder's Spouse, parent, sibling, descendant (including adoptive relationships and stepchildren), and the Spouses of each such natural persons.

"Financing Equity" means any Shares, warrants, or other similar rights to purchase Shares issued to lenders or other institutional investors (excluding the Stockholders) in any arm's length transaction providing debt financing to the Company.

"Fiscal Year" means, for financial accounting purposes, January 1 to December 31.

"GAAP" means United States generally accepted accounting principles in effect from time to time.

"Government Approval" means any authorization, consent, approval, waiver, exception, variance, order, exemption, publication, filing, declaration, concession, grant, franchise, agreement, permission, permit, or license of, from, or with any Governmental Authority, the giving of notice to, or registration with, any Governmental Authority, or any other action in respect of any Governmental Authority.

"Governmental Authority" means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political

subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations, or orders of such organization or authority have the force of law), or any arbitrator, court, or tribunal of competent jurisdiction.

"Governing Documents" means the Articles of Incorporation and the By-Laws.

"Initial Public Offering" means any offering of Shares pursuant to a registration statement filed in accordance with the Securities Act.

"Initial Stockholders" has the meaning set forth in the preamble.

"Issuance Notice" has the meaning set forth in Section 4.01(b).

"Involuntary Transfer" has the meaning set forth in Section 3.03(a).

"Joinder Agreement" means the joinder agreement in form and substance of **Exhibit A** attached hereto.

"Lien" means any lien, claim, charge, mortgage, pledge, security interest, option, preferential arrangement, right of first offer, encumbrance, or other restriction or limitation of any nature whatsoever.

"Majority Proposal" has the meaning set forth in Section 3.06(a).

"Marital Relationship" means a civil union, domestic partnership, marriage, or any other similar relationship that is legally recognized in any jurisdiction.

"New Securities" has the meaning set forth in Section 4.01(a).

"Non-Exercising Stockholder" has the meaning set forth in Section 4.01(d).

"Offered Shares" has the meaning set forth in Section 3.02(a).

"Offering Stockholder" has the meaning set forth in Section 3.02(a).

"Offering Stockholder Notice" has the meaning set forth in Section 3.02(b).

"Option Shares" has the meaning set forth in Section 3.04(a).

"Over-Allotment Exercise Period" has the meaning set forth in Section 4.01(d).

"Over-Allotment New Securities" has the meaning set forth in Section **4.01(d).**

"Over-Allotment Notice" has the meaning set forth in Section 4.01(d).

"Permitted Transferee" means (a) with respect to any Stockholder that is an entity, any Affiliate of such Stockholder, (b) with respect to any Stockholder who is an individual: (i) such Stockholder's Family Member; (ii) a trust under which the distribution of Shares may be made

only to such Stockholder and/or any Family Member of such Stockholder; (iii) a charitable remainder trust, the income from which will be paid to such Stockholder during his or her life; (iv) a corporation, partnership, or limited liability company, the stockholders, partners, or members of which are only such Stockholder and/or Family Members of such Stockholder; or (iv) such Stockholder's executors, administrators, testamentary trustees, legatees, distributees, or beneficiaries by will or by the laws of intestate succession, (c) with respect to Level 10 LLC, its sole shareholder, Paul Larson (or as permitted under clause (b) with respect to him), and (d) with respect to Crosstown Holdings, LLC (dba NFuzed), each of its two shareholders, Gregory Goldston or Mark Hartwig (or as permitted under clause (b) with respect to each of them).

"Person" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

"Preemptive Pro Rata Portion" has the meaning set forth in Section 4.01(c).

"Proposed Majority Purchaser" has the meaning set forth in Section 3.06(a).

"Prospective Purchaser" has the meaning set forth in Section 4.01(b).

"Purchase Price" has the meaning set forth in Section 3.05(c).

"Purchasing Stockholder" has the meaning set forth in Section 3.02(f).

"Related Party Agreement" means any agreement, arrangement, or understanding between the Company and any Stockholder or any Affiliate of a Stockholder or any Director, officer, or employee of the Company, as such agreement may be amended, modified, supplemented, or restated in accordance with the terms of this Agreement.

"Representative" means, with respect to any Person, any and all directors, managers, members, partners, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

"ROFR Notice" has the meaning set forth in Section 3.02(f). **"ROFR Notice Period"** has the meaning set forth in Section 3.02(f).

"Securities Act" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"Shares" means shares of common stock, $.0001 par value, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any share split, dividend, or combination, or any reclassification, recapitalization, merger, consolidation, exchange, or similar reorganization.

"Special Majority Approval" means with respect to any matter that must be approved by the Board of the Company pursuant to this Agreement, if the approval of three (3) or less Directors is obtained for such approval, then such matter must be approved by (a) the affirmative

vote of Stockholders holding at least fifty one percent (51%) of the issued and outstanding Shares; or (b) the written consent of the Stockholders holding at least fifty one percent (51%) of the issued and outstanding Shares.

"Spousal Consent" has the meaning set forth in Section 9.19.

"Spouse" means a spouse, a party to a civil union, a domestic partner, a same-sex spouse or partner, or any individual in a Marital Relationship with a Stockholder.

"Spouse's Interest" has the meaning set forth in Section 3.03(c).

"Stipulated Value" has the meaning set forth in Section 3.05(a).

"Stockholders" has the meaning set forth in the preamble.

"Subsidiary" means with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

"Supermajority Approval" means with respect to any matter that must be approved by the Stockholders pursuant to this Agreement: (a) the affirmative vote of Stockholders holding at least 66 2/3% of the issued and outstanding Shares; or (b) the written consent of the Stockholders holding at least 66 2/3% of the issued and outstanding Shares.

"Tag - Along Stockholder" has the meaning set forth in Section 3.06(a).

"Tag — Along Right" has the meaning set forth in Section 3.06(a).

"Tag Notice" has the meaning set forth in Section 3.06(a).

"Third Party Purchaser" means any Person who, immediately prior to the contemplated transaction: (a) does not, directly or indirectly, own or have the right to acquire any outstanding Shares; or (b) is not a Permitted Transferee of any Person who, directly or indirectly, owns or has the right to acquire any Shares.

"Transfer" means to, directly or indirectly, sell, transfer, assign, gift, pledge, encumber, hypothecate, or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option, or other arrangement or understanding with respect to the sale, transfer, assignment, gift, pledge, encumbrance, hypothecation, or similar disposition of, any Shares owned by a Person or any interest (including a beneficial interest) in any Shares owned by a Person. "Transfer" when used as a noun shall have a correlative meaning.

"Terminating Stockholder" has the meaning set forth in Section 3.03(b).

"Termination of Employment of a Stockholder" has the meaning set forth in Section 3.03(b).

"Transferring Stockholder" has the meaning set forth in Section 3.03(c).

"Valuation Firm" has the meaning set forth in Section 3.05(e).

"Waived ROFR Transfer Period" has the meaning set forth in Section 3.02(h).

ARTICLE II
MANAGEMENT AND OPERATION OF THE COMPANY

Section 2.01 Board of Directors.

(a) Subject to Section 2.02, the Stockholders agree that the business and affairs of the Company shall be managed through a board of directors (the **"Board")** consisting of five members (each, a **"Director").** Subject to Section 2.01(b), when electing Directors to serve on the Board, (i) Donald Douglas Burkhalter, at any time during which he is an Initial Stockholder, shall have the right to designate one (1) Director, who shall initially be the individual identified on **Schedule B** hereto, and (ii) Hadley C. Ford, at any time during which he is an Initial Stockholder, shall have the right to designate one (1) Director, who shall initially be those individuals identified on **Schedule B** hereto. Each such Director shall hold office until the earlier to occur of: (i) the next annual stockholders' meeting at which such Director's successor is designated by the Initial Stockholder that designated such Director as set forth in this Section 2.01(a); or (ii) such Director's term of office expires as set forth in Section 2.01(b).

(b) In the event that Donald Douglas Burkhalter or Hadley C. Ford, together with their respective Permitted Transferees, ceases to own at least five percent (5%) of the issued and outstanding Shares, then Donald Douglas or Hadley C. Ford, as the case may be, shall cease to have the right to designate the Directors that such Stockholder has pursuant to Section 2.01(a); provided, however, notwithstanding the foregoing, (i) as long as Donald Douglas Burkhalter or Hadley C. Ford is a duly appointed or elected officer of the Company, then such Stockholder shall have the right to designate one (1) director, and (ii) as long as the Initial Stockholders, collectively and together with their Permitted Transferees, own at least ten percent (10%) of the issued and outstanding Shares, Donald Douglas Burkhalter and Hadley C. Ford shall have the right to jointly designate one (1) additional director. In the event of such cessation of the right to designate directors pursuant to Section 2.01(a), (i) the term of office of all of the Directors designated by Donald Douglas Burkhalter or Hadley C. Ford, as applicable, shall expire; and (ii) the Directors remaining in office shall decrease the size of the Board to eliminate the resulting Director vacancies, unless the other Stockholders holding at least fifty percent (50%) of the issued and outstanding Shares consent otherwise.

(c) Each Stockholder shall vote all Shares over which such Stockholder has voting control and shall take all other necessary or desirable actions within such Stockholder's control (including in its capacity as stockholder, director, member of a board committee, or officer of the Company, or otherwise, and whether at a regular or special meeting of the Stockholders or by written consent in lieu of a meeting) to elect to the Board any individual designated by Donald Douglas Burkhalter or Hadley C. Ford pursuant to Section 2.01(a).

(d) Donald Douglas Burkhalter and Hadley C. Ford shall have the right at any time to remove (with or without cause) any Director designated by such Stockholder for election to the Board and each other Stockholder shall vote all Shares over which such Stockholder has voting control and shall take all other necessary or desirable actions within such Stockholder's control (including in its capacity as stockholder, director, member of a board committee, or officer of the Company, or otherwise, and whether at a regular or special meeting of the Stockholders or by written consent in lieu of a meeting) to remove from the Board any individual designated by Donald Douglas Burkhalter or Hadley C. Ford, as applicable, that Donald Douglas Burkhalter or Hadley C. Ford, as applicable, desires to remove pursuant to this Section 2.01(d). Except as provided in the preceding sentence, unless Donald Douglas Burkhalter or Hadley C. Ford, as applicable, otherwise consents in writing, no other Stockholder shall take any action to cause the removal of any Directors designated by Donald Douglas Burkhalter or Hadley C. Ford.

(e) Subject to Section 2.01(b), in the event a vacancy is created on the Board at any time and for any reason (whether as a result of death, disability, retirement, resignation, or removal pursuant to Section 2.01(d)), the Initial Stockholder that designated such Director shall have the right to designate a different individual to replace such Director and each other Stockholder shall vote all Shares over which such Stockholder has voting control and shall take all other necessary or desirable actions within such Stockholder's control (including in its capacity as stockholder, director, member of a board committee, or officer of the Company, or otherwise, and whether at a regular or special meeting of the Stockholders or by written consent in lieu of a meeting) to elect to the Board such individual designated by such Initial Stockholder.

(f) The Board shall have the right to establish any committee of Directors as the Board shall deem appropriate from time to time. Subject to this Agreement, the Governing Documents, and Applicable Law, committees of the Board shall have the rights, powers, and privileges granted to such committee by the Board from time to time. Any delegation of authority to a committee of Directors to take any action must be approved in the same manner as would be required for the Board to approve such action directly. Any committee of Directors shall be composed of the same proportion of Directors Donald Douglas Burkhalter and Hadley C. Ford shall then be entitled to appoint to the Board pursuant to Section 2.01(a).

Section 2.02 Voting Arrangements.

(a) In addition to any vote or consent of the Board or the Stockholders of the Company required by Applicable Law, including the CBCA, the Company, without Supermajority Approval, shall not, and shall not enter into any commitment to:

(i) amend, modify, restate, or waive any provisions of the Articles of Incorporation or By-Laws;

(ii) (A) make any material change to the nature of the Business conducted by the Company; or (B) enter into any business other than the Business;

(iii) (A) subject to Section 4.01 and Section 2.02(b), issue or sell Shares or other equity securities of the Company to any Person; or (B) enter into or effect any transaction or series of related transactions involving the repurchase, redemption, or other acquisition of Shares from any Person, in each case, other than any Excluded Securities approved in accordance with the terms of this Agreement or as otherwise contemplated by the terms of this Agreement;

(iv) incur any indebtedness (other than trade payables in the ordinary course of business), pledge or grant Liens on any assets, or guarantee, assume, endorse, or otherwise become responsible for the obligations of any other Person in excess of $100,000 in a single transaction or series of related transactions, or in excess of $500,000 in the aggregate at any time outstanding;

(v) make any loan or advance to, or a capital contribution or investment in, any Person in excess of $50,000, except with respect to the Company's contemplated investment in Bioforma, LLC of approximately $350,000 (the **"Bioforma Investment");**

(vi) enter into, amend in any material respect, waive, or terminate any Related Party Agreement other than the entry into a Related Party Agreement that is on an arm's length basis and on terms no less favorable to the Company than those that could be obtained from an unaffiliated third party and any Related Party Agreement in connection with the Bioforma Investment;

(vii) enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange, or other disposition (including by merger, consolidation, sale of shares of stock, or sale of assets) by the Company of any assets, individually or cumulatively, having a value in excess of $150,000, other than sales of inventory in the ordinary course of business consistent with past practice;

(viii) initiate or consummate an Initial Public Offering or make a public offering and sale of Shares or any other securities; or

(ix) wind up, dissolve, liquidate, or terminate the Company or initiate a bankruptcy proceeding involving the Company.

(b) In addition to any vote or consent of the Board or the Stockholders of the Company required by Applicable Law, including the CBCA, the Company, without Special Majority Approval, shall not, and shall not enter into any commitment to:

(i) adopt or modify in any material respect an annual budget, operating budget, or business plan for the Company;

(ii) subject to Section 4.01, issue or sell Shares or other equity securities of the Company to any Person in a transaction or series of related transactions, where such issuance or sale is not equal to, and is not convertible into, an aggregate of more than twenty percent (20%) of the issued and

outstanding Shares of the existing Stockholders on a fully diluted basis at the time of the issuance or sale, other than any Excluded Securities approved in accordance with the terms of this Agreement or as otherwise contemplated by the terms of this Agreement;

(iii) appoint or remove the Company's auditors or make any changes in the accounting methods or policies of the Company (other than as required by GAAP);

(iv) establish a Subsidiary or enter into any joint venture or similar business arrangement;

(v) enter into or amend any material term of: (i) any employment agreement or arrangement with any senior employee of the Company; (ii) the compensation (including salary, bonus, deferred compensation, or otherwise) or benefits of any senior employee of the Company; (iii) any stock option, employee stock purchase, or similar equity-based plans; (iv) any benefit, severance, or other similar plan; or (v) any annual bonus plan or any management equity plan;

(vi) exercise any of its options granted pursuant to Section 3.03; or

(vii) settle any lawsuit, action, dispute, or other proceeding or otherwise assume any liability with a value in excess of $50,000 or agree to the provision of any equitable relief by the Company, other than in the ordinary course of business consistent with past practice.

ARTICLE III
TRANSFER OF INTERESTS

Section 3.01 General Restrictions on Transfer.

(a) Except as permitted pursuant to Section 3.01(b) or in accordance with the procedures described in Section 3.02, Section 3.03 and Section 3.06, each Stockholder agrees that such Stockholder will not, directly or indirectly, voluntarily or involuntarily, Transfer any of its Shares.

(b) The provisions of Section 3.01(a), Section 3.02, Section 3.03 and Section 3.06 shall not apply to any of the following Transfers by any Stockholder of any of its Shares:

(i) to a Permitted Transferee; or

(ii) pursuant to a merger, consolidation, or other business combination of the Company with a Third-Party Purchaser that has been approved in compliance with Section 2.02(a)(vii) or Section 2.02(a)(ix).

(c) In addition to any legends required by Applicable Law, each certificate representing the Shares of the Company now owned or that may hereafter be acquired by the Stockholders shall bear a legend substantially in the following form:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A STOCKHOLDERS AGREEMENT AMONG THE COMPANY AND ITS STOCKHOLDERS, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICE OF THE COMPANY. NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION, OR OTHER DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH STOCKHOLDERS AGREEMENT.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER SUCH ACT AND LAWS, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER."

(d) Prior notice shall be given to the Company by a Stockholder of any Transfer of Shares, including Transfers to a Permitted Transferee. Prior to consummation of any Transfer by any Stockholder of any of its Shares, including a Transfer to a Permitted Transferee or a Third Party Purchaser, such Stockholder shall cause: (i) any transferee who is not already a party to this Agreement to execute and deliver to the Company a Joinder Agreement in which such transferee agrees to be bound by the terms and conditions of this Agreement; and (ii) if the transferee is an individual, any Spouse of such transferee to execute and deliver to the Company a Spousal Consent. Upon any Transfer of Shares by any Stockholder, in accordance with this Section 3.01(d) and the other terms of this Agreement, the transferee thereof shall be substituted for, and shall assume all the rights and obligations under this Agreement of, the transferor thereof.

(e) Notwithstanding any other provision of this Agreement, each Stockholder agrees that it will not, directly or indirectly, Transfer any of its Shares: (i) except as permitted under the Securities Act and other applicable federal or state securities laws, and then, if requested by the Company, only upon delivery to the Company of an opinion of counsel in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act; (ii) if it would cause the Company or any of its Subsidiaries to be required to register as an investment company under the Investment Company Act of 1940, as amended; (iii) if it would cause the assets of the Company or any of its Subsidiaries to be deemed plan assets as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any "prohibited transaction" thereunder involving the Company; (iv) except as permitted under, and in accordance with, the law, rules and regulations issued by any Applicable MED and any other state or local rules and regulations that may

affect the Company's Business, or (v) to any transferee that is not qualified or suitable for qualification under the provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code and/or the rules and regulations promulgated thereunder and the similar codes applicable in California or any other state in which the Company operates with respect to the Company's Business and the rules and regulations promulgated thereunder. In any event, the Board may refuse the Transfer to any Person if such Transfer would have a material adverse effect on the Company as a result of any regulatory or other restrictions imposed by any Governmental Authority.

(f) Any Transfer or attempted Transfer of any Shares in violation of this Agreement shall be null and void, no such Transfer shall be recorded on the Company's books, and the purported transferee in any such Transfer shall not be treated (and the purported transferor shall continue be treated) as the owner of such Shares for all purposes of this Agreement and the Governing Documents of the Company.

(g) This Agreement shall cover all of the Shares now owned or hereafter acquired by the Stockholders while this Agreement remains in effect.

Section 3.02 Right of First Refusal.

(a) If at any time a Stockholder (such Stockholder, an **"Offering Stockholder")** receives a bona fide offer from any Third Party Purchaser to purchase all or any portion of the Shares (the **"Offered Shares")** owned by the Offering Stockholder and the Offering Stockholder desires to Transfer the Offered Shares (other than Transfers that are permitted by Section 3.01(b)), then the Offering Stockholder must first make an offering of the Offered Shares to the Company, *first,* and then to each other Stockholder, *second,* in accordance with the provisions of this Section 3.02.

(b) The Offering Stockholder shall, within five (5) Business Days of receipt of the offer from the Third-Party Purchaser, give written notice (the **"Offering Stockholder Notice")** to the Company and the other Stockholders stating that it has received a bona fide offer from a Third-Party Purchaser and specifying:

(i) the number of Offered Shares to be Transferred by the Offering Stockholder;

(ii) the name of the Third-Party Purchaser;

(iii) the per share purchase price and the other material terms and conditions of the Transfer, including a description of any non-cash consideration in sufficient detail to permit the valuation thereof; and

(iv) the proposed date, time, and location of the closing of the Transfer, which shall not be less than sixty (60) days from the date of the Offering Stockholder Notice.

The Offering Stockholder Notice shall constitute the Offering Stockholder's offer to Transfer the Offered Shares first to the Company and second to the

other Stockholders, which offer shall be irrevocable until the end of the Company ROFR Notice Period and the ROFR Notice Period, as applicable.

(c) By delivering the Offering Stockholder Notice, the Offering Stockholder represents and warrants to the Company and to each other Stockholder that: (i) the Offering Stockholder has full right, title, and interest in and to the Offered Shares; (ii) the Offering Stockholder has all the necessary power and authority and has taken all necessary action to Transfer such Offered Shares as contemplated by this Section 3.02; and (iii) the Offered Shares are free and clear of any and all Liens other than those arising as a result of or under the terms of this Agreement.

(d) Upon receipt of the Offering Stockholder Notice, the Company shall have ten (10) Business Days (the **"Company ROFR Notice Period")** to elect to purchase all (but not less than all) of the Offered Shares by delivering a written notice (a **"Company ROFR Notice")** to the Offering Stockholder stating that it accepts the offer to purchase such Offered Shares on the terms specified in the Offering Stockholder Notice. Any Company ROFR Notice shall be binding upon delivery and irrevocable by the Company.

(e) If the Company does not deliver a Company ROFR Notice during the Company ROFR Notice Period, the Company shall be deemed to have waived its rights to purchase the Offered Shares under this Section 3.02, and the Offering Stockholder shall give written notice to each of the other Stockholders of such waiver of the Company's rights to purchase the Offered Shares under this Section 3.02 (the **"Company ROFR Waiver Notice")** within two (2) Business Days of the expiration of the Company ROFR Notice Period.

(f) Upon receipt of the Company ROFR Waiver Notice, each Stockholder shall have ten (10) Business Days (the **"ROFR Notice Period")** to elect to purchase all (but not less than all) of the Offered Shares by delivering a written notice (a **"ROFR Notice")** to the Offering Stockholder and the Company stating that it accepts the offer to purchase such Offered Shares on the terms specified in the Offering Stockholder Notice. Any ROFR Notice shall be binding upon delivery and irrevocable by the applicable Stockholder. If more than one Stockholder delivers a ROFR Notice, each such Stockholder (the **"Purchasing Stockholder")** shall be allocated its pro-rata portion of the Offered Shares, which shall be based on the proportion of the number of Shares such Purchasing Stockholder owns relative to the total number of Shares all of the Purchasing Stockholders own.

(g) Each Stockholder that does not deliver a ROFR Notice during the ROFR Notice Period shall be deemed to have waived all of such Stockholder's rights to purchase the Offered Shares under this Section 3.02, and the Offering Stockholder shall thereafter, subject to the rights of any Purchasing Stockholder, be free to sell the Offered Shares to the Third Party Purchaser in the Offering Stockholder Notice without any further obligation to such Stockholder pursuant to this Section 3.02.

(h) If no Stockholder delivers a ROFR Notice in accordance with Section 3.02(f), the Offering Stockholder may, during the sixty (60) day period immediately

following the expiration of the ROFR Notice Period, which period may be extended for a reasonable time not to exceed ninety (90) days following expiration of the ROFR Notice Period, to the extent reasonably necessary to obtain any required Government Approvals (the **"Waived ROFR Transfer Period")** (and subject to the requirements of Section 3.01(d)), Transfer all of the Offered Shares to the Third Party Purchaser on terms and conditions no more favorable to the Third Party Purchaser than those set forth in the Offering Stockholder Notice. If the Offering Stockholder does not Transfer the Offered Shares within such period or, if applicable, within the Waived ROFR Transfer Period, the rights provided hereunder shall be deemed to be revived and the Offered Shares shall not be Transferred to the Third-Party Purchaser unless the Offering Stockholder sends a new Offering Stockholder Notice in accordance with, and otherwise complies with, this Section 3.02.

(i) The Offering Stockholder, the Company and each Purchasing Stockholder, as the case may be, shall take all actions as may be reasonably necessary to consummate the Transfer contemplated by this Section 3.02, including entering into agreements and delivering certificates and instruments and consents as may be deemed necessary or appropriate.

(j) At the closing of any Transfer pursuant to this Section 3.02, the Offering Stockholder shall deliver to the Company or the Purchasing Stockholders, as the case may be, a certificate or certificates representing the Offered Shares to be sold (if any), accompanied by stock powers and all necessary stock transfer taxes paid and stamps affixed, if necessary, against receipt of the purchase price therefor from the Company or such Purchasing Stockholders, as the case may be, by certified or official bank check or by wire transfer of immediately available funds.

Section 3.03 Triggering Events for Company's Option To Buy Shares.

(a) Prior to any Involuntary Transfer of Shares during the life of a Stockholder (the **"Transferring Stockholder")** for any reason (other than in connection with the Divorce of a Stockholder as addressed in Section 3.03(c)), the Transferring Stockholder or the Transferring Stockholder's representative shall give prompt written notice to the Company disclosing in full the nature and details of the Involuntary Transfer, and the Company shall have the option, but not the obligation, to purchase all (but not less than all) of the Shares owned by the Transferring Stockholder at the effective date of the Involuntary Transfer pursuant to the terms of Section 3.04 and Section 3.05 of this Agreement. For the purposes hereof, an **"Involuntary Transfer"** includes, but is not limited to, a potential Transfer of Shares that occurs in connection with any of the following: (a) a sale upon execution or in foreclosure of any pledge, hypothecation, lien or charge; (b) a voluntary or involuntary petition under any federal or state bankruptcy, insolvency or related law; (c) the appointment of a receiver; (d) an assignment for the benefit of creditors; (e) attachment, assignment or other collection action; and (f) the appointment of a guardian or conservator for a Stockholder.

(b) Upon the Termination of Employment of a Stockholder (the **"Terminating Stockholder"),** the Company shall have the option, but not the obligation,

to purchase all (but not less than all) of the Shares owned by the Terminating Stockholder at the effective date of termination pursuant to the terms of Section 3.04 and Section 3.05 of this Agreement. For purposes hereof, (a) **"Termination of Employment of a Stockholder"** means, in the case of any Stockholder who is, or subsequently becomes, an employee of the Company, the date of termination of his or her employment for any reason whatsoever (other than his or her death or Disability), including retirement or resignation, and (b) **"Disability"** means a Stockholder's inability, due to illness, injury or other disability (either physical or mental), to perform his or her duties and responsibilities to the Company for 150 days out of any 365 day period or 90 consecutive days. In the event of a Termination of Employment of a Stockholder, no written notice shall be required. The Company shall be deemed to have received constructive notice as of the effective date of such Termination of Employment of a Stockholder.

(c) If the Marital Relationship of a Stockholder is terminated by death of the Stockholder's Spouse or by Divorce, and the Stockholder does not succeed to all of the Spouse's interest in the Shares held by the Stockholder at such time (the **"Spouse's Interest,"** regardless of whether the interest is characterized as marital, nonmarital or separate property, or as property held as joint tenants), then the Spouse or Spouse's estate shall sell to the Stockholder, and the Stockholder shall purchase, the Spouse's Interest in the Shares for the Purchase Price set forth in Section 3.05.

Section 3.04 Option Procedures.

(a) Whenever the Company has the option to purchase all of the Shares owned by a Transferring Stockholder pursuant to Section 3.03(a) or a Terminating Stockholder pursuant to Section 3.03(b) (in each case, the **"Option Shares"),** the following procedures shall apply:

(i) The right of the Company to purchase all (but not less than all) of the Option Shares shall be exercisable with the delivery of a written notice by the Company to the Transferring Stockholder or the Terminating Stockholder, as the case may be, within 60 days of (i) in the case of an Involuntary Transfer pursuant to Section 3.03(a), the receipt of the Transferring Stockholder's written notice of Involuntary Transfer, or (ii) in the case of a Termination of Employment of a Stockholder pursuant to Section 3.03(b), the effective date of Termination of Employment of a Stockholder; *provided, however,* that if a Fair Market Value has to be determined by a Valuation Firm pursuant to Section 3.05(e), the time period in this Section 3.04(a)(i) shall not commence until the Valuation Firm has delivered its written determination of Fair Market Value to the Stockholders. The Company's written notice of exercise shall be binding upon delivery and irrevocable by the Company.

(ii) The failure of the Company to deliver an exercise notice by the end of their respective option periods shall constitute a waiver of the applicable option rights under Section 3.03 with respect to the transfer of such Option Shares, but shall not affect their respective rights with respect to any future transfers of Option Shares.

(b) The Company, if it elects to purchase Shares pursuant to this Section 3.04(a) may pay the applicable Purchase Price in (a) one lump sum by certified or official bank check or by wire transfer of immediately available funds or (b) installment payments evidenced by a promissory note **("Note")** made at the time of purchase, which shall bear interest at the Interest Rate (defined below) per annum. If paid in installment payments pursuant to a Note, the Company shall pay the Purchase Price plus accrued interest at the Interest Rate in 60 equal monthly installments. The promissory note shall contain a provision that in case of default in the payment of principal or interest, all remaining amounts shall become immediately due and payable at the election of the Person to whom the sums are payable. The Company shall have the right to pay all or any part of the note at any time or times in advance of maturity without penalty by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment. For purposes of this Section 3.04(b), (i) **"Interest Rate"** means, at any given time, the greater of (A) five percent (5%), or (B) the Prime Rate in effect at such time, provided that the Interest Rate shall be determined, and adjusted if necessary, at the date of issuance of the Note and at the end of each calendar quarter thereafter (with any new rate being applicable on the first day of the next day), and (ii) **"Prime Rate"** means, for any day, the prime rate of interest published by the Wall Street Journal on such date.

(c) Each Stockholder shall take all actions as may be reasonably necessary to consummate any sale that complies with this Section 3.04 including, without limitation, entering into agreements and delivering certificates and instruments and consents as may be deemed necessary or appropriate.

(d) At the closing of any purchase and sale pursuant to this Section 3.04, the Transferring Stockholder or Terminating Stockholder shall deliver to the Company a certificate or certificates representing the Option Shares to be sold, accompanied by stock powers with signatures guaranteed and all necessary stock transfer taxes paid and stamps affixed, if necessary, against receipt of the promissory note or payment of the lump sum Purchase Price therefor from the Company as provided in Section 3.04(b).

(e) In the case of an option to purchase the Option Shares of a Transferring Stockholder pursuant to Section 3.03(a) or a Terminating Stockholder pursuant to Section 3.03(b), if the Company elects not to purchase all of the Option Shares, then such Option Shares shall continue to be subject to the restrictions imposed by this Agreement and the subsequent owner of the Option Shares pursuant to the applicable Involuntary Transfer or the Terminating Stockholder shall remain a party to this Agreement.

(f) If a Stockholder's Shares are purchased by the Company in connection with an Involuntary Transfer or Termination of Employment of a Stockholder as described in Section 3.03 and Section 3.04, the applicable Stockholder shall cease to be a party to this Agreement and shall have no further rights or obligations hereunder, and this Agreement may be amended or terminated without such Stockholder's consent.

Section 3.05 Purchase Price.

(a) As of the date of this Agreement, the value of each Share is agreed to be $1.82. Such value shall remain effective until a new stipulation is agreed to in accordance with Section 3.05(b) (such per Share value, as updated from time to time, the **"Stipulated Value").**

(b) Within 120 days after the end of each fiscal year of the Company, the Stockholders shall agree upon the Stipulated Value, to be computed as of the end of such fiscal year. The Stipulated Value shall be agreed to by the Stockholders holding a majority of the issued and outstanding Shares, acting together and by written instrument.

(c) Except as set forth in Section 3.05(e), Section 3.05(f) and Section 3.05(g), in the event of a sale of Shares pursuant to Sections 3.03 and 3.04, the Purchase Price shall be the Stipulated Value in effect at such time multiplied by the number of Shares subject to sale (the **"Purchase Price").**

(d) The failure of the Stockholders to update the Stipulated Value as provided for herein shall not affect the validity or enforceability of this Agreement.

(e) If the Stipulated Value has not been updated as provided by Section 3.05(b), then, except as set forth in Sections 3.05(e), (f) and (g), the Stipulated Value shall be determined by the Valuation Firm (defined below). For purposes of this Section 3.05(e), (i) the **"Stipulated Value"** shall equal the **"Fair Market Value"** as of the date of such valuation, which value shall be determined by the Valuation Firm based on a "market based valuation" methodology, with such valuation methodology to be approved by the Board, and (ii) "Valuation Firm" means an independent, nationally recognized valuation firm selected by the mutual agreement of the Company and the Stockholders holding a majority of the issued and outstanding Shares, acting together and by written instrument (the **"Valuation Firm").** The Company shall provide the Valuation Firm with all reasonably necessary Company financial and other records as the Valuation Firm may request. The Valuation Firm shall deliver its written determination of Fair Market Value within sixty (60) days of its engagement to the Stockholders and the Company, and such determination of Fair Market Value shall be final, conclusive and binding on the parties. All costs and expenses associated with the retainer or employment of the Valuation Firm pursuant to this Section 3.05(e) shall be paid by the Company.

(f) In the event of a purchase of a deceased Spouse's Interest as provided by Section 3.03(c) of this Agreement, the Purchase Price shall not be less than the value of the decedent's interest as finally determined for federal estate tax purposes.

(g) In the event of a purchase of the Spouse's Interest as provided by Section 3.03(c) of this Agreement, the Purchase Price shall be (a) the Stipulated Value or, if the parties have not updated the Stipulated Value as provided by Section 3.03(b) within 24 months immediately preceding the event triggering the sale, the Fair Market Value (per share), multiplied by (b) the number of Shares held by the Stockholder, and multiplied by (c) the fraction or percentage that represents the interest of the Spouse in the Stockholder's Shares. For example, if a divorcing Stockholder has 100 Shares, and the Stipulated Value or Fair Market Value (per Share), as applicable, of each Share is

determined to be $2.00, and the divorce court, decree or agreement awards the Spouse an interest of forty percent (40%) in the Shares, then the Purchase Price for the Spouse's Interest in the Shares would be $80.00.

Section 3.06 Tag-Along Rights.

(a) In the event the holders of a majority of the issued and outstanding Shares of the Company propose, by written notice to the Company (the **"Majority Proposal")** to sell or otherwise transfer their Shares to a potential purchaser (a **"Proposed Majority Purchaser")** (whether by way of a single transaction or group of related transactions), the non-selling Stockholders not party to such transaction(s) and/or a Majority Proposal (the **"Tag-Along Stockholders")** shall have the right to require the Proposed Majority Purchaser to acquire all of such Tag-Along Stockholder's Shares (the **"Tag-Along Right")** as set forth in this Section 3.063.06, otherwise on the same terms and conditions afforded to the selling stockholders and specified in the Majority Proposal. Upon receipt by the Company of a Majority Proposal from such selling stockholders, the Company shall promptly give written notice to all non-selling stockholders of the Company of the Majority Proposal, the selling stockholder(s) and the associated Tag-Along Right (the **"Tag Notice").** Each Tag-Along Stockholder who desires to exercise its Tag-Along Right must give the Company and the selling stockholder(s) written notice to that effect within fifteen (15) days of receipt of the Tag Notice.

(b) The selling stockholder(s) proposing to consummate a proposed sale with the Proposed Majority Purchaser must deliver a Majority Proposal in writing to the Company not later than forty-five (45) days prior to the consummation of such proposed sale. Such Majority Proposal shall contain the material terms and conditions (including price and form of consideration) of the proposed sale, the identity of the Proposed Majority Purchaser and the intended date of the proposed sale. Prior to the consummation of any proposed sale pursuant to this Section 3.063.06, the selling stockholder(s) shall cause: (i) the Proposed Majority Purchaser(s) to execute and deliver to the Company a Joinder Agreement; and (ii) if the Proposed Purchaser(s) are individuals, any Spouse of such Proposed Purchaser(s) to execute and deliver to the Company a Spousal Consent.

(c) The Tag-Along Stockholder(s) and the selling stockholder(s) agree that the terms and conditions of any proposed sale in accordance with this Section 3.06.06 will be memorialized in, and governed by, a written purchase and sale agreement with the Proposed Majority Purchaser with customary terms and provisions for such a transaction, and the Tag-Along Stockholder(s) and the selling stockholder(s) further covenant and agree to enter into such purchase and sale agreement as a condition precedent to any sale or other transfer in accordance with this Section 3.063.06.

(d) Notwithstanding Section 3.06(c), if any Proposed Majority Purchaser(s) refuse(s) to purchase Shares subject to the Tag-Along Right or upon the failure to negotiate in good faith a purchase and sale agreement reasonably satisfactory to the Tag-Along Stockholders, no Stockholder may sell any Shares to such Proposed Majority Purchaser(s) unless and until, simultaneously with such sale, such Stockholder purchases all Shares subject to the Tag-Along Right from such Tag-Along Stockholder(s) on the

same terms and conditions (including the proposed purchase price) as set forth in the Majority Proposal. In connection with such purchase by such selling Stockholder, such Tag-Along Stockholder(s) shall deliver to the selling Stockholder any stock certificate or certificates, properly endorsed for transfer, representing the Shares being purchased by the selling Stockholder (or request that the Company effect such transfer in the name of the selling Stockholder). Any such Shares transferred to the selling Stockholder will be transferred to the Proposed Majority Purchaser against payment therefor in consummation of the sale of the Shares pursuant to the terms and conditions specified in the Majority Proposal, and the selling Stockholder shall concurrently therewith remit or direct payment to each such Tag-Along Stockholder the portion of the aggregate consideration to which each such Tag-Along Stockholder is entitled by reason of its participation in such sale as provided in this Section 3.06.06.

ARTICLE IV
PREEMPTIVE RIGHTS

Section 4.01 Preemptive Rights.

(a) The Company hereby grants to each Stockholder the right to purchase its pro rata portion of any new Shares (other than any Excluded Securities) (the **"New Securities")** that the Company may from time to time propose to issue or sell to any party.

(b) The Company shall give written notice (an **"Issuance Notice")** of any proposed issuance or sale described in Section 4.01(a) to the Stockholders within five (5) Business Days following any meeting of the Board at which any such issuance or sale is approved. The Issuance Notice shall, if applicable, be accompanied by a written offer from any prospective purchaser (a **"Prospective Purchaser")** seeking to purchase New Securities and set forth the material terms and conditions of the proposed issuance, including:

(i) the number of New Securities proposed to be issued and the percentage of the outstanding Shares that such issuance would represent;

(ii) the proposed issuance date, which shall be at least twenty (20) Business Days from the date of the Issuance Notice; and

(iii) the proposed purchase price per share.

(c) Each Stockholder shall for a period of fifteen (15) Business Days following the receipt of an Issuance Notice (the **"Exercise Period")** have the right to elect irrevocably to purchase, at the purchase price set forth in the Issuance Notice, the amount of New Securities equal to the product of: (i) the total number of New Securities to be issued by the Company on the issuance date; and (ii) a fraction determined by dividing (A) the number of Shares owned by such Stockholder immediately prior to such issuance by (B) the total number of Shares outstanding on such date immediately prior to such issuance (the **"Preemptive Pro Rata Portion")** by delivering a written notice to the

Company (an **"Acceptance Notice").** Such Stockholder's election to purchase New Securities shall be binding and irrevocable. The failure of a Stockholder to deliver an Acceptance Notice by the end of the Exercise Period shall constitute a waiver of its rights under this Section 4.01 with respect to the purchase of such New Securities, but shall not affect its rights with respect to any future issuances or sales of New Securities.

(d) No later than five (5) Business Days following the expiration of the Exercise Period, the Company shall notify each Stockholder in writing of the number of New Securities that each Stockholder has agreed to purchase (including, for the avoidance of doubt, where such number is zero) (the **"Over-Allotment Notice").** Each Stockholder exercising its right to purchase its Preemptive Pro Rata Portion of the New Securities in full (an **"Exercising Stockholder")** shall have a right of over-allotment such that if any other Stockholder fails to exercise its right under this Section 4.01 to purchase its Preemptive Pro Rata Portion of the New Securities (each, a **"Non-Exercising Stockholder"),** such Exercising Stockholder may purchase all or any portion of such Non-Exercising Stockholder's allotment (the **"Over-Allotment New Securities")** by giving written notice to the Company setting forth the number of Over-Allotment New Securities that such Exercising Stockholder is willing to purchase within five (5) Business Days of receipt of the Over-Allotment Notice (the **"Over-Allotment Exercise Period").** Such Exercising Stockholder's election to purchase Over-Allotment New Securities shall be binding and irrevocable. If more than one Exercising Stockholder elects to exercise its right of over-allotment, each Exercising Stockholder shall have the right to purchase the number of Over-Allotment New Securities it elected to purchase in its written notice; *provided,* that if the Over-Allotment New Securities are oversubscribed, each Exercising Stockholder shall purchase its pro rata portion of the available Over-Allotment New Securities based upon the relative Preemptive Pro Rata Portions of the Exercising Stockholders.

(e) The Company shall be free to complete the proposed issuance or sale of New Securities described in the Issuance Notice with respect to any New Securities not elected to be purchased pursuant to Section 4.01(c) and Section 4.01(d) above in accordance with the terms and conditions set forth in the Issuance Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced), *provided,* such issuance or sale is closed within thirty (30) Business Days after the expiration of the Over-Allotment Exercise Period; *subject, however,* to the extension of such thirty (30) Business Day period for a reasonable time not to exceed sixty (60) Business Days after the expiration of the Over-Allotment Exercise Period to the extent reasonably necessary to obtain any necessary Government Approvals. Prior to such proposed issuance or sale of New Securities, the Company shall cause: (i) each proposed holder of such New Securities to execute and deliver to the Company a Joinder Agreement; and (ii) if such proposed holder is an individual, any Spouse of such proposed holder to execute and deliver to the Company a Spousal Consent. In the event the Company has not sold such New Securities within such time period, the Company shall not thereafter issue or sell any New Securities without first again offering such securities to the Stockholders in accordance with the procedures set forth in this Section 4.01.

(f) The closing of any purchase by any Stockholder shall be consummated concurrently with the consummation of the issuance or sale described in the Issuance Notice. Upon the issuance or sale of any New Securities in accordance with this Section 4.01, the Company shall deliver share certificates (if any) evidencing the New Securities, which New Securities shall be issued free and clear of any Liens (other than those arising hereunder and those attributable to the actions of the purchasers thereof), and the Company shall so represent and warrant to the purchasers thereof, and further represent and warrant to such purchasers that such New Securities shall be, upon issuance thereof to the Exercising Stockholders and after payment therefor, duly authorized, validly issued, fully paid, and non-assessable. Each Exercising Stockholder shall deliver to the Company the purchase price for the New Securities purchased by it by certified or bank check or wire transfer of immediately available funds. Each party to the purchase and sale of New Securities shall take all such other actions as may be reasonably necessary to consummate the purchase and sale, including entering into such additional agreements as may be necessary or appropriate.

ARTICLE V
OTHER AGREEMENTS

Section 5.01 Corporate Opportunities. Except as otherwise provided in the second sentence of this Section 5.01: (a) no Stockholder or any of its Permitted Transferees or any of their respective Representatives shall have any duty to communicate or present an investment or business opportunity or prospective economic advantage to the Company in which the Company may, but for the provisions of this Section 5.01, have an interest or expectancy (a **"Corporate Opportunity");** and (b) no Stockholder or any of its Permitted Transferees or any of their respective Representatives (even if such Person is also an officer or Director of the Company) shall be deemed to have breached any fiduciary or other duty or obligation to the Company by reason of the fact that any such Person pursues or acquires a Corporate Opportunity for itself or its Permitted Transferees or directs, sells, assigns, or transfers such Corporate Opportunity to another Person or does not communicate information regarding such Corporate Opportunity to the Company. The Company renounces any interest in a Corporate Opportunity and any expectancy that a Corporate Opportunity will be offered to the Company; *provided,* that the Company does not renounce any interest or expectancy it may have in any Corporate Opportunity that is offered to an officer or Director of the Company whether or not such individual is also a Director or officer of a Stockholder, if such opportunity is expressly offered to such Person in his or her capacity as an officer or Director of the Company. The Stockholders hereby recognize that the Company reserves such rights.

Section 5.02 Confidentiality.

(a) Each Stockholder acknowledges that during the term of this Agreement, it will have access to and become acquainted with trade secrets, proprietary information, and confidential information belonging to the Company and its Affiliates that are not generally known to the public, including, but not limited to, information concerning business plans, financial statements, and other information provided pursuant to this Agreement, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists, or other business documents that the Company treats as

confidential, in any format whatsoever (including oral, written, electronic, or any other form or medium) (collectively, **"Confidential Information").** In addition, each Stockholder acknowledges that: (i) the Company has invested, and continues to invest, substantial time, expense, and specialized knowledge in developing its Confidential Information; (ii) the Confidential Information provides the Company with a competitive advantage over others in the marketplace; and (iii) the Company would be irreparably harmed if the Confidential Information were disclosed to Competitors or made available to the public. Without limiting the applicability of any other agreement to which any Stockholder is subject, each Stockholder shall, and shall cause its Representatives to, keep confidential and not, directly or indirectly, disclose or use (other than solely for the purposes of such Stockholder monitoring and analyzing its investment in the Company) at any time, including, without limitation, use for personal, commercial, or proprietary advantage or profit, either during its association with the Company or thereafter, any Confidential Information of which such Stockholder is or becomes aware. Each Stockholder in possession of Confidential Information shall, and shall cause its Representatives to, take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss, and theft.

(b) Nothing contained in Section 5.02(a) shall prevent any Stockholder from disclosing Confidential Information: (i) upon the order of any court or administrative agency; (ii) upon the request or demand of any regulatory agency or authority having jurisdiction over such Stockholder; (iii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories, or other discovery requests; (iv) to the extent necessary in connection with the exercise of any remedy hereunder; (v) to other Stockholders; (vi) to such Stockholder's Representatives who, in the reasonable judgment of such Stockholder, need to know such Confidential Information and agree to be bound by the provisions of this Section 5.02 as if a Stockholder; or (vii) to any potential Permitted Transferee in connection with a proposed Transfer of Shares from such Stockholder, as long as such potential Permitted Transferee agrees in writing to be bound by the provisions of this Section 5.02 as if a Stockholder before receiving such Confidential Information; *provided,* that in the case of clause (i), (ii), or (iii), such Stockholder shall notify the Company and other Stockholders of the proposed disclosure as far in advance of such disclosure as practicable (but in no event make any such disclosure before notifying the Company and other Stockholders) and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment satisfactory to the Company, when and if available.

(c) The restrictions of Section 5.02(a) shall not apply to Confidential Information that: (i) is or becomes generally available to the public other than as a result of a disclosure by a Stockholder or any of its Representatives in violation of this Agreement; (ii) is or has been independently developed or conceived by such Stockholder without use of Confidential Information; or (iii) becomes available to such Stockholder or any of its Representatives on a non-confidential basis from a source other than the Company, the other Stockholders, or any of their respective Representatives, *provided,* that such source is not known by the receiving Stockholder to be bound by a confidentiality agreement regarding the Company.

(d) The obligations of each Stockholder under this Section 5.02 shall survive: (i) the termination, dissolution, liquidation, and winding up of the Company; and (ii) such Stockholder's Transfer of its Shares.

ARTICLE VI
INFORMATION RIGHTS

Section 6.01 Financial Statements. In addition to, and without limiting any rights that a Stockholder may have with respect to inspection of the books and records of the Company under Applicable Laws, including the CBCA, the Company shall furnish to each Stockholder, the following information:

(a) As soon as available, and in any event within one hundred and twenty (120) days after the end of each Fiscal Year, the audited balance sheet of the Company as at the end of each such Fiscal Year and the audited statements of income, cash flows, and changes in stockholders' equity for such year, accompanied by the certification of independent certified public accountants selected in accordance with Section 2.02(g), to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, applied on a basis consistent with prior years and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of its operations and changes in its cash flows and stockholders' equity for the periods covered thereby.

(b) As soon as available, and in any event within forty-five (45) days after the end of each fiscal quarter, the reviewed balance sheet of the Company at the end of such quarter and the reviewed statements of income, cash flows, and changes in stockholders' equity for such quarter, accompanied by the certification of independent certified public accountants selected in accordance with Section 2.02(g), to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, consistently applied.

(c) To the extent the Company is required by Applicable Law or pursuant to the terms of any outstanding indebtedness of the Company to prepare such reports, any annual reports, quarterly reports, and other periodic reports (without exhibits) prepared by the Company as soon as available.

Section 6.02 Inspection Rights.

(a) The Company shall, and shall cause its officers, Directors, and employees to: (i) afford each Stockholder that owns at least five percent (5%) of the outstanding Shares and the Representatives of each such Stockholder, during normal business hours and upon reasonable written notice, reasonable access at all reasonable times to its officers, employees, auditors, properties, offices, plants, and other facilities and to all books and records; and (ii) afford such Stockholder the opportunity to consult with its officers from time to time regarding the Company's affairs, finances, and accounts as each such Stockholder may reasonably request upon reasonable notice.

(b) The right set forth in Section 6.02(a) shall not and is not intended to limit any rights which the Stockholders may have with respect to the books and records of the Company, or to inspect its properties or discuss its affairs, finances, and accounts under the laws of the State of Colorado.

ARTICLE VII
REPRESENTATIONS AND WARRANTIES

Section 7.01 Representations and Warranties. Each Stockholder, severally and not jointly, represents and warrants to the Company and each other Stockholder that:

(a) For each such Stockholder that is not an individual, such Stockholder is a corporation or limited liability company, as applicable, duly organized, validly existing, and in good standing under the laws of the State of its organization or incorporation, as applicable.

(b) Such Stockholder has full capacity and, for each such Stockholder that is not an individual, corporate or limited liability company, as applicable, power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby. For each such Stockholder that is not an individual, the execution and delivery of this Agreement, the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate or limited liability company, as applicable, action of such Stockholder. Such Stockholder has duly executed and delivered this Agreement.

(c) This Agreement constitutes the legal, valid, and binding obligation of such Stockholder, enforceable against such Stockholder in accordance with its terms. The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby require no action by, or in respect of, or filing with, any Governmental Authority.

(d) The execution, delivery, and performance by such Stockholder of this Agreement and the consummation of the transactions contemplated hereby do not: (i) conflict with or result in any violation or breach of any provision of any of the governing documents of such Stockholder; (ii) conflict with or result in any violation or breach of any provision of any Applicable Law; or (iii) require any consent or other action by any Person under any provision of any material agreement or other instrument to which the Stockholder is a party.

(e) Except for this Agreement, such Stockholder has not entered into or agreed to be bound by any other agreements or arrangements of any kind with any other party with respect to the Shares, including agreements or arrangements with respect to the acquisition or disposition of the Shares or any interest therein or the voting of the Shares (whether or not such agreements and arrangements are with the Company or any other Stockholder).

(f) Subject to the other provisions of this Agreement, the representations and warranties contained herein shall survive the date of this Agreement and shall remain in full force and effect for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation, or extension thereof).

(g) Such Stockholder is qualified and suitable for qualification under the provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code and/or the rules and regulations promulgated thereunder and the similar codes applicable in California with respect to the Company's Business and the rules and regulations promulgated thereunder, and the Stockholder has no reason to believe that it would not so qualify or be suitable.

ARTICLE VIII
TERM AND TERMINATION

Section 8.01 Termination. This Agreement shall terminate upon the earliest of:

(a) the consummation of an Initial Public Offering;

(b) the consummation of a merger or other business combination involving the Company whereby the Shares become listed or admitted to trading on the Nasdaq Stock Market, the New York Stock Exchange, or another national securities exchange;

(c) the date on which none of the Stockholders holds any Shares;

(d) the termination, dissolution, liquidation, or winding up of the Company; or

(e) the agreement of the Stockholders holding all of the issued and outstanding Shares, acting together and by written instrument.

Section 8.02 Effect of Termination.

(a) The termination of this Agreement shall terminate all further rights and obligations of the Stockholders under this Agreement except that such termination shall not effect:

(i) the existence of the Company;

(ii) the obligation of any party to this Agreement to pay any amounts arising on or prior to the date of termination, or as a result of or in connection with such termination;

(iii) the rights which any Stockholder may have by operation of law as a stockholder of the Company; or

(iv) the rights contained herein which by their terms are intended to survive termination of this Agreement.

(b) The following provisions shall survive the termination of this Agreement: Section 5.02 (as and to the extent provided in Section 5.02(d)), this Section 8.02, Section 9.04, Section 9.12, Section 9.14, Section 9.15, Section 9.16, and Section 9.17.

ARTICLE IX
MISCELLANEOUS

Section 9.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors, and accountants, incurred in connection with the preparation and execution of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 9.02 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Stockholder hereby agrees, at the request of the Company or any other Stockholder, to execute and deliver such additional documents, certificates, instruments, conveyances, and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 9.03 Release of Liability. Except as otherwise provided herein, in the event any Stockholder Transfers all the Shares held by such Stockholder in compliance with the provisions of this Agreement without retaining any interest therein, then such Stockholder shall cease to be a party to this Agreement and shall be relieved and have no further liability arising hereunder for events occurring from and after the date of such Transfer.

Section 9.04 Notices.

(a) All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) upon personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (iii) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery.

(b) Such communications in Section 9.04(a) must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.04):

(i) if to the Company:

1880 S. Flatiron Court, Suite E
Boulder, Colorado 80301
Attn: Donald Douglas Burkhalter

With a copy to:

1880 S. Flatiron Court, Suite E
Boulder, Colorado 80301
Attn: Hadley C. Ford

And

Berger, Cohen & Brandt, L.C.
8000 Maryland Ave., Suite 1500
Clayton, Missouri 63105
Attn: David Spewak

(ii) if to a Stockholder, at the address set forth on **Schedule A** attached hereto;

(iii) if to a Permitted Transferee of Shares or any other Stockholder other than the Initial Stockholders (A) at the address set forth on the respective Joinder Agreement executed by such party; or (B) if an address is neither set forth on such Joinder Agreement nor provided to the Company in a notice given in accordance with this Section 9.04, at such party's last known address; and

(iv) if to the Spouse of a Stockholder: (A) if applicable, in care of the Spouse's attorney of record at the attorney's address; or (B) if the Spouse is unrepresented, at the Spouse's last known address.

Section 9.05 Agreement Prepared by Company Counsel. Each Stockholder has read this Agreement and acknowledges that:

(a) counsel for the Company prepared this Agreement on behalf of the Company and not on behalf of any Stockholder;

(b) such Stockholder has been advised that a conflict may exist between such Stockholder's interests, the interests of the other Stockholders, and/or the interests of the Company;

(c) this Agreement may have significant legal, financial planning, and/or tax consequences to the Stockholder;

(d) such Stockholder has sought, or has had the full opportunity to seek, the advice of independent legal, financial planning, and/or tax counsel of its choosing regarding such consequences; and

(e) counsel for the Company has made no representations to the Stockholder regarding such consequences.

Section 9.06 Interpretation. For purposes of this Agreement: (a) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation";

(b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Exhibits, and Schedules mean the Articles and Sections of, and Exhibits and Schedules attached to, this Agreement; (y) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits and Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 9.07 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, such provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

Section 9.08 Entire Agreement. This Agreement and the Governing Documents constitute the sole and entire agreement of the parties with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency or conflict between this Agreement and any Governing Document, the Stockholders and the Company shall, to the extent permitted by Applicable Law, amend such Governing Document to comply with the terms of this Agreement.

Section 9.09 Successors and Assigns; Assignment. Subject to the rights and restrictions on Transfers set forth in this Agreement, this Agreement is binding upon and inures to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by any Stockholder except as permitted in this Agreement (or as otherwise consented to in writing by all the other Stockholders prior to the assignment) and any such assignment in violation of this Agreement shall be null and void.

Section 9.10 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.11 Amendment and Modification. This Agreement may only be amended, modified, or supplemented by an instrument in writing executed by the Company and the Stockholders holding at least seventy-five percent (75%) of the issued and outstanding Shares; *provided,* however, that any provision of this Agreement requiring the written consent or agreement of the Stockholders holding a higher percentage of the issued and outstanding Shares can only be amended by an instrument in writing executed by the Company and the Stockholders holding such higher percentage of the issued and outstanding Shares; *provided, further, however,* that this Section 9.11 can only be amended with the approval of all Stockholders. Any such written amendment, modification, or supplement will be binding upon the Company and each Stockholder.

Section 9.12 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

Section 9.13 Governing Law. This Agreement, including all Exhibits and Schedules hereto, and all matters arising out of or relating to this Agreement, shall be governed by and construed in accordance with the internal laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction).

Section 9.14 Submission to Jurisdiction.

(a) The parties hereby agree that any suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort, or otherwise, shall be brought in the state or federal courts located in Denver, Colorado, so long as one of such courts shall have subject-matter jurisdiction over such suit, action, or proceeding.

(b) Each of the parties hereby irrevocably consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action, or proceeding and irrevocably waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Service of process, summons, notice, or other document by certified or registered mail to the address set forth in Section 9.04 shall be effective service of process for any suit, action, or other proceeding brought in any such court.

(c) The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the courts set forth in clause (a) above having subject matter jurisdiction.

Section 9.15 Waiver of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY EXHIBITS AND SCHEDULES ATTACHED TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

Section 9.16 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section 9.17 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

Section 9.18 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 9.19 Spousal Consent. Each Stockholder who has a Spouse on the date of this Agreement shall cause such Stockholder's Spouse to execute and deliver to the Company a spousal consent in the form of **Exhibit B** hereto (a **"Spousal Consent"),** pursuant to which the Spouse acknowledges that he or she has read and understood the Agreement and agrees to be bound by its terms and conditions. If any Stockholder should marry or engage in a Marital Relationship following the date of this Agreement, such Stockholder shall cause his or her Spouse to execute and deliver to the Company a Spousal Consent within fifteen (15) Business Days thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

COMPANY:

MISSION HOLDINGS, INC., a Colorado corporation

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

STOCKHOLDERS:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Justin Dye
Chief Executive Officer

[_____]

By: _____
Name: _____
Title: _____

SCHEDULE A

STOCKHOLDERS

[Intentionally Omitted]

SCHEDULE B

DIRECTORS

Director appointed by Donald Douglas Burkhalter:

- Donald Douglas Burkhalter

Director appointed by Hadley C. Ford:

- Hadley C. Ford

EXHIBIT A

FORM OF JOINDER AGREEMENT

JOINDER AGREEMENT

Reference is hereby made to that certain Stockholders Agreement, dated as of May 20, 2022, (as amended from time to time, the **"Stockholders Agreement"),** by and between Mission Holdings US, Inc., a Colorado corporation (the **"Company"),** each Person identified on Schedule A thereto, and each other Person who after the date thereof acquires Shares of the Company and becomes a party thereto by executing this Joinder Agreement. Pursuant to and in accordance with Sections 3.01(d) and 4.01(e) of the Stockholders Agreement, the undersigned hereby agrees that upon the execution of this Joinder Agreement, it shall become a party to the Stockholders Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Stockholders Agreement as though an original party thereto and shall be deemed to be a Stockholder of the Company for all purposes thereof.

Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Stockholders Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of [DATE].

[TRANSFEREE STOCKHOLDER]

By _____
Name:
Title:

EXHIBIT B

FORM OF SPOUSAL CONSENT

CONSENT OF SPOUSE

I, _____, spouse of _____, acknowledge that I have read the Stockholders Agreement, dated as of May 20, 2022, by and between Mission Holdings US, Inc., a Colorado corporation (the **"Company"),** each Person identified on Schedule A thereto, and each other Person who after the date thereof acquires Shares of the Company and becomes a party thereto by executing the Joinder Agreement, to which this Consent is attached as Exhibit B (as the same may be amended or amended and restated from time to time, the **"Agreement"),** and that I understand the contents of the Agreement. I am aware that my spouse is a party to the Agreement and the Agreement contains provisions regarding, among other things, the voting and transfer of shares of Shares (as defined in the Agreement) of the Company which my spouse may own, including any interest I might have therein. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Agreement.

I hereby agree that I and any interest, including any community property interest, that I may have in any Shares subject to the Agreement shall be irrevocably bound by the Agreement, including, without limitation, any restrictions on the transfer or other disposition of any Shares or voting or other obligations as set forth in the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to the exercise of any rights and obligations under the Agreement.

This Consent shall be binding on my executors, administrators, heirs and assigns. I agree to execute and deliver such documents as may be necessary to carry out the intent of the Agreement and this Consent.

I am aware that the legal, financial and related matters contained in the Agreement are complex and that I am free to seek independent professional guidance or counsel with respect to this Consent. I have either sought such guidance or counsel or determined after reviewing the Agreement carefully that I will waive such right. I am under no disability or impairment that affects my decision to sign this Consent, and I knowingly and voluntarily intend to be legally bound by this Consent.

Dated as of

_____

Signature

_____

Print Name

Exhibit 10.11

EXECUTION VERSION

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this **"Agreement")** is made and entered into as of May 20, 2022 by and between Mission Holdings US, Inc., a Colorado corporation (the **"Company"),** and [____] **("Indemnitee").**

WHEREAS, the Company and certain investors are parties to that certain Preferred Stock Purchase Agreement, of even date herewith (the **"Stock Purchase Agreement"),** pursuant to which such investors have agreed to purchase shares of the Convertible Preferred Stock of the Company;

WHEREAS, highly competent persons have become more reluctant to serve corporations as directors or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of such corporation;

WHEREAS, Articles of Incorporation of the Company were filed with the Colorado Secretary of State on November 2, 2020, as subsequently amended by the Articles of Amendment (including the Attachment to Amended Articles of Incorporation of Mission Holdings US, Inc.) filed with the Colorado Secretary of State on December 29, 2021 and the Designation, Preferences, Limitations and Relative Rights of Convertible Preferred Stock of the Company to be filed with the Colorado Secretary of State on or about the date hereof in connection with the transactions contemplated under the Stock Purchase Agreement, as may be further modified, amended, and/or restated from time to time (collectively, the **"Articles");**

WHEREAS, the Board of Directors of the Company (the **"Board")** has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself. The Bylaws of the Company (as may be amended, modified or restated from time to time, the **"Bylaws")** and the Articles require indemnification of the directors of the Company to the fullest extent that directors may be indemnified under the Colorado Business Corporation Act **("CBCA").** The Bylaws, the Articles and the CBCA expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the Board, officers and other persons with respect to indemnification;

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company's stockholders and that

the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law, including the CBCA, so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws and Articles and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee does not regard the protection available under the Bylaws and Articles and insurance as adequate in the present circumstances, and may not be willing to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he or she be so indemnified; and

WHEREAS, Indemnitee has certain rights to indemnification and/or insurance provided by Medicine Man Technologies, Inc. (d/b/a Schwazze) **("Schwazze")** which Indemnitee and Schwazze intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided herein, with the Company's acknowledgement and agreement to the foregoing being a material condition to Indemnitee's willingness to serve on the Board.

NOW, THEREFORE, in consideration of Indemnitee's agreement to serve as a director of the Company from and after the date hereof, the parties hereto agree as follows:

1. Indemnity of Indemnitee. The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings Generally. Except as set forth in Section 1(b), Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of his or her Director Status (as hereinafter defined), Indemnitee is made a party to, or is threatened to be made a party to, any Proceeding (as hereinafter defined). Pursuant to this Section 1(a), Indemnitee shall be indemnified against liability incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding, if (i) Indemnitee's conduct was in good faith, (ii) Indemnitee reasonably believed, in the case of conduct in an official capacity with the Company, that such conduct was in the Company's best interests, and in all other cases, that the conduct was at least not opposed to the Company's best interests, and (iii) in the case of any criminal Proceeding, Indemnitee had no reasonable cause to believe Indemnitee's conduct was unlawful. The rights of indemnification provided in this Section 1(a) in connection with any Proceeding brought by or in the right of the Company is limited to reasonable Expenses (as defined below) incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding. For purposes of this Section 1(a), Indemnitee's conduct with respect to an employee benefit plan for a purpose Indemnitee reasonably believed to be in the interests of the participants in or beneficiaries of such plan is

conduct that satisfies the requirement of subsection (ii) of this Section 1(a), and Indemnitee's conduct with respect to an employee benefit plan for a purpose that Indemnitee *did not* reasonably believed to be in the interests of the participants in or beneficiaries of such plan shall be deemed not to satisfy the requirements of subsection (i) of this Section 1(a).

(b) Exceptions for Certain Proceedings. Indemnitee shall not be entitled to the rights of indemnification provided in Section 1(b) in connection with: (i) any Proceeding brought by or in the right of the Company in which Indemnitee was adjudged liable to the Company except for reasonable Expenses (defined below) incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if it is determined that Indemnitee has met the relevant standard of conduct under Section 1(a); or (ii) any Proceeding charging that Indemnitee derived an improper personal benefit, whether or not involving action in an official capacity with the Company, in which Proceeding Indemnitee was adjudged liable on the basis that Indemnitee derived an improper personal benefit.

(c) Indemnification for Expenses of a Party Who is Wholly Successful. Notwithstanding any other provision of this Agreement, unless limited by the Articles, the Company shall indemnify Indemnitee, if Indemnitee was wholly successful, on the merits or otherwise, in the defense of any Proceeding to which Indemnitee was a party by reason of his or her Director Status, to the maximum extent permitted by law, as such may be amended from time to time, against all reasonable Expenses incurred by him or her, or on his or her behalf, in connection with such Proceeding.

(d) Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf, if, by reason of his or her Director Status, he or she is, or is threatened to be, made a party to any Proceeding (including a Proceeding by or in the right of the Company). The only limitation that shall exist upon the Company's obligations pursuant to this section shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful.

3. Contribution.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any action, suit or

proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all directors of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction or events from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all directors of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the transaction or events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which applicable law may require to be considered. The relative fault of the Company and all directors of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by directors of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Director Status, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, he or she shall be indemnified against all Expenses actually and reasonably incurred by him or her, or on his or her behalf, in connection therewith.

5. Advancement of Expenses. Notwithstanding any other provision of this Agreement, the Company shall, prior to final disposition of a Proceeding, pay or reimburse the reasonable Expenses incurred in connection with such Proceeding by or on behalf of Indemnitee who is a party to such Proceeding by reason of Indemnitee's Director Status, within thirty (30) days after the receipt by the Company of a written affirmation from Indemnitee (i) of such reasonable Expenses and requesting such advance or advances from time to time, and (ii) of Indemnitee's good faith belief that Indemnitee has met the relevant standard of conduct described in Section 1(a) or the Proceeding involves conduct for which liability has been eliminated under a provision of the Articles as authorized by Section 7-102-102(2)(d) of the CBCA. Such written affirmation shall reasonably evidence the Expenses incurred by Indemnitee and include or be preceded or accompanied by a written undertaking, executed by or on behalf of Indemnitee, to repay any Expenses advanced if Indemnitee is not entitled to indemnification under Section 1(c) and it is ultimately determined that Indemnitee has not met the relevant standard of conduct described in Section 1(a). Any advances and undertakings to repay pursuant to this Section 5 shall be unsecured and interest free. This Section 5 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 9.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the CBCA and public policy of the State of Colorado. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee, is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification and is otherwise required to be submitted by any other provision of this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company. The Company will be entitled to participate in the Proceeding at its own Expense.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (i) if there are two (2) or more Disinterested Directors (hereafter defined), by the Board by a majority vote of all the Disinterested Directors, a majority of whom constitute a quorum for such purpose, (ii) by a majority vote of a committee of the Board appointed by a majority vote of the Disinterested Directors, which committee consists of two (2) or more disinterested directors, (iii) by Independent Counsel (hereafter defined) selected in the manner specified in subsection (i) or (ii) of this Section 6(b), or if there are fewer than two (2) Disinterested Directors, selected by a majority vote of the full Board, or (iv) by the shareholders of the Company, but shares owned by or voted under the control of a director who at the time is not a Disinterested Director may not be voted on such determination.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b) hereof, the Independent Counsel shall be selected as provided in this Section 6(c). The Independent Counsel shall be selected by the Board. Indemnitee may, within ten (10) days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of **"Independent Counsel"** as defined in Section 133 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the court conducting the Proceeding in the State of Colorado or any other court of competent jurisdiction for resolution of any objection which shall have been made by Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incurred by the Company and Indemnitee incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) If the person, persons or entity empowered or selected under Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within ninety (90) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such ninety (90) day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided further, that the foregoing provisions of this Section 6(d) shall not apply if the determination of entitlement to indemnification is to be made by the shareholders pursuant to Section 6(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the shareholders for their consideration at an annual meeting thereof to be held within one hundred and five (105) days after such receipt and such determination is made thereat, or (B) a special meeting of shareholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within ninety (90) days after having been so called and such determination is made thereat.

(e) Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board or stockholder of the Company shall act reasonably and in good faith in making a determination regarding Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(f) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(g) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as hereinafter defined), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. The provisions of this Section 6(g) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(g) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(h) In the event that any action, suit or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, suit or proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or proceeding.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent, does not (except as otherwise expressly provided in this Agreement), of itself, adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not meet the relevant standard of conduct described in Section 1(a) or Section 1(b).

7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within one hundred twenty (120) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Sections 1(c), 1(d), 4 or the last sentence of Section 6(e) of this Agreement within twenty (20) days after receipt by the Company of a written request therefor, or (v) payment of indemnification is not made pursuant to Sections 1(a) and 2 of this Agreement within twenty (20) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Colorado, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of his or her rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on his or her behalf, in advance, any and all expenses (of the types described in the definition of Expenses in Section 13 of this Agreement) actually and reasonably incurred by him or her in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. It is the intent of the Company that, to the fullest extent permitted by law, Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within twenty (20) days after receipt by the Company of a written request therefore) advance, to the extent not prohibited by law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company, if, in the case of indemnification, Indemnitee is wholly successful on the underlying claims; if Indemnitee is not wholly successful on the underlying claims, then such indemnification shall be only to the extent Indemnitee is successful on such underlying claims or otherwise as permitted by law, whichever is greater.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; Insurance; Primacy of Indemnification; Subrogation.

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Articles, the By-laws, any agreement, a vote of shareholders, a resolution of directors of the Company, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Director Status prior to such amendment, alteration or repeal. To the extent that a change in the CBCA, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Articles, By-laws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors or officers of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director or officer under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant

to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by Schwazze and certain of its affiliates (collectively, the **"Fund Indemnitors").** The Company hereby agrees (i) that it is the indemnitor of first resort *(i.e.,* its obligations to Indemnitee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Articles or Bylaws of the Company (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Fund Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 8(c).

(d) Except as provided in paragraph (c) above, in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee (other than against the Fund Indemnitors), who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) Except as provided in paragraph (c) above, the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(f) Except as provided in paragraph (c) above, the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

9. Exception to Right of Indemnification. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision, provided, that the foregoing shall not affect the rights of Indemnitee or the Fund Indemnitors set forth in Section 8(c) above; or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law, (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the **"Sarbanes-Oxley Act"),** or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (iii) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act; or

(c) except as provided in Section 7(e) of this Agreement, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) such payment arises in connection with any mandatory counterclaim or cross claim brought or raised by Indemnitee in any Proceeding (or any part of any Proceeding) or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; or

(d) for Expenses determined by the Company to have arisen out of Indemnitee's breach or violation of his or her obligations under (i) any employment agreement between Indemnitee and the Company or (ii) the Company's Code of Business Conduct and Ethics (as amended from time to time).

10. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director of another corporation, partnership, joint venture, trust or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 7 hereof) by reason of his or her Director Status, whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

11. Security. To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of Indemnitee.

12. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as a director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

(c) The Company shall not seek from a court, or agree to, a "bar order" which would have the effect of prohibiting or limiting Indemnitee's rights to receive advancement of expenses under this Agreement.

13. Definitions. For purposes of this Agreement:

(a) **"Director Status"** describes the status of a person who is or was a director of the Company.

(b) **"Disinterested Director"** means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(c) **"Enterprise"** shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the request of the Company as a director.

(d) **"Expenses"** shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including, without limitation, the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent (ii) Expenses incurred in connection with recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee is ultimately determined to be entitled to such indemnification, advancement or Expenses or insurance recovery, as the case may be, and (iii) for purposes of Section 7(e)7(e) only, Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, the Articles, the Bylaws or under any directors' and officers' liability

insurance policies maintained by the Company, by litigation or otherwise. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(e) **"Independent Counsel"** means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither at present is, nor in the past five (5) years has been, retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(f) **"Proceeding"** includes any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of his or her Director Status, by reason of any action taken by him or her, or of any inaction on his or her part, while acting in his or her Director Status; in each case whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce his or her rights under this Agreement.

14. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall

not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt, or (a) upon personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, or (c) one (1) business day after the business day of deposit with a nationally recognized overnight courier, postage prepaid, specifying next-day delivery. All communications shall be sent to the respective parties at their e-mail address and location address as follows:

(a) To Indemnitee as set forth below Indemnitee signature hereto.

(b) To the Company at:

1880 S. Flatiron Court, Suite E
Boulder, Colorado 80301
Attn: Doug Burkhalter
Email: dburkhalter@missionholdings.us

With a copy to:

1880 S. Flatiron Court, Suite E
Boulder, Colorado 80301
Attn: Hadley Ford
Email: hford@missionholdings.us

And

Berger, Cohen & Brandt, L.C.
8000 Maryland Ave., Suite 1500
Clayton, Missouri 63105
Attn: David Spewak
Email: dspewak@bcblawlc.com

or to such other e-mail address or location address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.,* www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

19. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the state and federal courts of Denver County, Colorado (the **"Colorado Court"),** and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Colorado Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Colorado Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Colorado Court has been brought in an improper or inconvenient forum.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement on and as of the day and year first above written.

COMPANY:

MISSION HOLDINGS, INC.

By: /s/ Doug Burkhalter
Doug Burkhalter
Chief Executive Officer

INDEMNITEE:

[_____]

Address: [_____]

Address: [_____]

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Justin Dye, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Medicine Man Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based upon such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 9, 2022

/s/ Justin Dye
Justin Dye, Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Nancy Huber, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Medicine Man Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based upon such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 9, 2022

/s/ Nancy Huber
Nancy Huber, Chief Financial Officer
(Principal Financial Officer)

Exhibit 32

CERTIFICATION PURSUANT TO
18 USC, SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this quarterly report of Medicine Man Technologies, Inc. (the "Company") on Form 10-Q for the fiscal period ended September 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, the undersigned, in the capacities and on the date indicated below, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of our knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 9, 2022

/s/ Justin Dye
Justin Dye, Chief Executive Officer

Dated: November 9, 2022

/s/ Nancy Huber
Nancy Huber, Chief Financial Officer