	Dollars	based on a Rentable Area deemed for the purposes of Basic Rent only for such period to be Sixty Thousand (60,000) square feet	
For the Third (3rd) year of the Term through the expiry of the Fifth (5th) year of the Term	Nine Hundred Twenty One Thousand Four Hundred Eighty Eight ($921,488) Dollars	Eight ($8.00) Dollars per square foot per annum based on the Rentable Area	Seventy Six Thousand Seven Hundred Ninety Dollars and Sixty Seven Cents ($76,790.67)
For the Sixth (6th) year of the Term through the expiry of the Tenth (10th) year of the Term	One Million One Hundred Fifty One Thousand Eight Hundred Sixty ($1,151,860.00) Dollars	Ten ($10.00) Dollars per square foot per annum based on the Rentable Area	Ninety Five Thousand Nine Hundred Eighty Eight Dollars and Thirty Three Cents ($95,988.33)
For the Eleventh (11th) year of the Term through the expiry of the Fifteenth (15th) year of the Term	One Million Three Hundred Eighty Two Thousand Two Hundred Thirty Two ($1,382,232.00) Dollars	Twelve ($12.00) Dollars per square foot per annum based on the Rentable Area	One Hundred Fifteen Thousand One Hundred Eighty Six ($115,186.00) Dollars

as both the Basic Rent and the monthly instalments of the same may be varied pursuant to this Lease.

Such monthly installments are payable in advance of the first day of each and every month in each and every year during the Term, the first of such monthly installments to be paid on or before the Commencement Date.

Prior to the commencement of the Term or as soon thereafter as is reasonably practical, the Tenant shall provide to the Landlord a pre-authorized debit form to permit automatic debiting of the Tenant's account with its banker for amount of the monthly installments provided for herein and Additional Rent required to be paid by the Tenant pursuant to Sections 8 and 9 hereof. The Tenant shall provide replacement authorizations from time to time as the monthly installments of Basic Rent or Additional Rent change during the Term forthwith upon notice of such change being given to the Tenant by the Landlord. The Tenant shall make all other Additional Rent payments to the Landlord by cheque at the times contemplated by the terms of this Lease.

The Landlord acknowledges that it has received sum of Two Hundred Thousand ($200,000.00) Dollars and a subsequent cheque for One Hundred Thousand ($100,000.00) Dollars from the Tenant, the aggregate of which is to be held by the Landlord, without liability for interest to the Tenant as a deposit (the "Deposit") for the performance by the Tenant of all of the terms and conditions of the Lease required to be kept and performed by the Tenant. If the Tenant is in default of the performance of any term or

condition of this Lease required to be kept and performed by the Tenant, the Landlord may at its option apply the Deposit, or so much thereof as may be necessary, to remedy such non-performance or reimburse the Landlord for any loss or damage suffered or sustained by it as a result of such non-performance. Following any such application of the Deposit or any part thereof, the Landlord may advise the Tenant of the same and require the Tenant to restore the Deposit to its original amount and the Tenant shall restore the Deposit to its original amount. The Landlord shall return the Deposit, or any amount thereof not otherwise applied by the Landlord as permitted herein to the Tenant within sixty (60) days of the later to occur:

(a) the expiry of the Term; and

(b) the date the Tenant vacates the Tenant Areas in accordance with the terms of the Lease.

In the event of a sale, transfer or assignment of this Lease by the Landlord, the Landlord may transfer a sum equivalent to the Deposit or so much thereof as shall then remain to the purchaser, transferee or assignee and thereupon the Landlord shall be freed and discharged from any further liability in connection with such Deposit.

5. RENT AND INTEREST

The Tenant shall pay to the Landlord or its order in lawful money of Canada, at the office of the Landlord hereinafter set forth, or at such other place as the Landlord may in writing direct, without notice or demand, except as otherwise specifically provided herein, and without deduction or set-off for any reason whatsoever a rent comprised of:

(a) the Basic Rent in the manner herein provided; and

(b) the additional rent (the "Additional Rent"), being all other amounts which become due and payable to the Landlord from time to time pursuant to the terms of this lease within the time herein provided;

all of which amounts shall be payable and recoverable as rent.

The Tenant shall pay to the Landlord interest at a rate equal to the prime bank lending rate from time to time charged by the Landlord's principal bank in Edmonton plus four (4%) per cent per annum on all arrears of Basic Rent or Additional Rent owing to the Landlord and all other sums payable by the Tenant to the Landlord or incurred by the Landlord, until payment is received by the Landlord.

6. NET LEASE

This lease is a net lease and the Basic Rent is to be received by the Landlord free of all outgoings whatsoever except as otherwise herein specifically provided and except for the Landlord's income taxes and for payments of any financing respecting the Land that may now or in the future become due.

7. UTILITIES AND OTHER SERVICES

The Tenant shall, on or before the applicable due date, pay directly to the provider of the same all charges for utilities provided to or consumed within the Tenant Areas, and metered and charged separately by such provider to the Tenant including without limitation telephone installation and service, power, gas and water and charges for treatment or other facilities based on the same.

If any cost of any utility provided to or consumed on the Tenant Areas is charged to the Landlord by the provider of such utility and the cost of the provision or consumption of such utility on the Tenant Areas is not included in General Operation and Maintenance Costs, the Tenant shall pay to the Landlord within thirty (30) days of the Tenant's receipt of the Landlord's invoice its share of the cost based on such allocation as the Landlord may reasonably determine (which in the case of a utility metered separately for

all or a part of the Tenant Areas is the full cost), together with an administrative fee of fifteen (15%) per cent of such allocation. If the Landlord elects, a separate metering device for all or a part of the Tenant Areas may be installed by the Landlord at the cost of the Tenant.

8. REAL PROPERTY TAXES

(a) The Tenant shall pay to the Landlord in the manner in this Section 8 provided the Tenant's Share of the Real Property Taxes (as each of the foregoing hereinafter defined) that accrue during the Fixturing Period and the Term hereof and the reasonable cost to the Landlord of any appeals against the validity or amount of any of the foregoing, all such Real Property Taxes levied in, or attributable to, any calendar year and such costs of appeal to be deemed to accrue from day to day during that calendar year unless specifically stated to accrue otherwise in the enabling legislation related thereto.

(b) Prior to, or as soon as possible after, the commencement of any period determined upon, from time to time, by the Landlord (which period shall not exceed twelve (12) months in duration nor exceed the Term in duration) the Landlord shall provide the Tenant with an estimate of Real Property Taxes and such costs of appeal for such period and indicate the amount thereof which will be payable and contributable by the Tenant. The Tenant shall pay to the Landlord the amount so calculated in specified monthly amounts (as determined by the Landlord) in advance throughout such period at the time set for payment of the Basic Rent pursuant to this Lease. The amount of the estimated Real Property Taxes and such costs of appeal may be adjusted from time to time, during such period by the Landlord giving notice in writing thereof to the Tenant in which event the remaining payments to be made by the Tenant as aforesaid in such period may be adjusted in the same manner by the Landlord.

(c) Within one hundred and twenty (120) days after the end of each such period, the Landlord shall furnish to the Tenant a statement of the actual Taxes and the calculation of Real Property Taxes and such costs of appeal and the amount thereof payable by the Tenant in accordance with this Section 8. Appropriate adjustments with respect to the Tenant's share thereof shall be made between the parties, if necessary, within fourteen (14) days after receipt of such statement by the Tenant.

(d) Real Property Taxes means the real property taxes (including local improvement charges and school taxes) rates and similar levies, charges and assessments, including any fine, penalty, interest and costs relating thereto that accrue during the Term against the Land (the "Taxes").

(e) Tenant's Share of Real Property Taxes means that portion of the Real Property Taxes which the Landlord acting reasonably having regard to such criteria as the Landlord considers relevant allocates to the Tenant Areas.

9. GENERAL OPERATION AND MAINTENANCE COSTS

(a) The Tenant shall pay to the Landlord, in the manner in this Section 9 provided, an amount calculated by the Landlord that is equal to the General Operation and Maintenance Costs that accrue during the Fixturing Period and the Term hereof. General Operation and Maintenance Costs means all costs, charges and expenses incurred, approved, or attributed by the Landlord to manage, operate, service, maintain, clean, supervise, police, insure, replace or repair, and keep in good order and safe condition the Tenant Areas (including costs incurred under Section 25) and areas, facilities and installations on or adjacent to the Land benefitting in common the Tenant and other tenants of the Land, costs of all utilities not billed separately by the authority providing the same (or by the Landlord) to tenants of portions of the Land, and the reasonable management and administrative service costs and fees incurred or invoiced by the Landlord in connection

with the general operation, maintenance and management of the Tenant Areas. Notwithstanding the foregoing, the Tenant shall not be responsible for the cost of repairing structural components required solely as a result of structural defects of the Warehouse Building due to defective design or construction or costs resulting from inferior or deficient workmanship in the initial construction of the same.

(b) Prior to, or as soon as possible after, the commencement of any period determined upon, from time to time, by the Landlord (which period shall not exceed twelve (12) months in duration nor exceed the Term in duration) the Landlord shall provide the Tenant with an estimate of the General Operation and Maintenance Costs for the period which will be payable and contributable by the Tenant. The Tenant shall pay to the Landlord the amount so calculated in specified monthly amounts (as determined by the Landlord) in advance throughout such period at the time set for payment of the Basic Rent pursuant to this Lease. The amount of the estimated General Operation and Maintenance Costs as aforesaid may be adjusted, from time to time, during such period by the Landlord giving notice in writing thereof to the Tenant in which event the remaining payments to be made by the Tenant as aforesaid in such period may be adjusted in the same manner by the Landlord.

(c) Within one hundred and twenty (120) days after the end of each such period the Landlord shall furnish to the Tenant a statement of the Landlord's actual General Operation and Maintenance Costs during such period showing in reasonable detail the information relevant and necessary to the calculation and determination of these amounts and the amount thereof payable by the Tenant in accordance with this Section 9. Appropriate adjustments with respect to the Tenant's share of the General Operation and Maintenance Costs shall be made between the parties, if necessary within fourteen (14) days after receipt of such statement by the Tenant. The Tenant may, during the three (3) months immediately following the receipt of the Landlord's statement as aforesaid, at its sole expense, inspect, subject to the inspection being reasonable in all the circumstances, any record kept or held by the Landlord of the costs or expenses claimed by the Landlord under this Section, for such period and the Landlord shall make such records available accordingly to the Tenant, PROVIDED ALWAYS that such right of inspection and any right of the Tenant to dispute the amount or allocation of the General Operation and Maintenance Costs for a period shall cease and determine upon the expiration of the aforesaid three (3) months immediately following receipt of the Landlord's statement unless any such General Operation and Maintenance Costs are disputed by the Tenant within such three (3) month period in which case the relevant records shall remain available for inspection as aforesaid until such time as the dispute is resolved.

(d) If the Landlord incurs a cost in relation to the Land that if incurred only in relation to the Tenant Areas would be included in General Operation and Maintenance Costs the Landlord acting reasonably shall allocate a portion of such cost to the Tenant Areas and that portion shall be included in General Operation and Maintenance Costs.

10. NO IMPAIRMENT OF LANDLORD'S INSURANCE

The Tenant shall not permit any action or omission in the use or occupancy in or of the Tenant Areas that causes or has the effect of either causing the rate of insurance upon the Lands or any part thereof to be increased or causing an insurer to cancel or threaten cancellation of any policy of insurance of the Landlord. If any insurance premium shall be so increased the Tenant shall pay to the Landlord forthwith upon demand the amount of such increase. In the event of a breach of the obligation of the Tenant in the first sentence of this Section 10, the Landlord may enter the Tenant Areas and rectify the situation and the Tenant shall forthwith on demand pay to the Landlord the cost of the Landlord related to such rectification together with a supervisory fee of twenty (20%) per cent of such cost and with interest at the Rate on the aggregate of the foregoing from the date funds were expended by the Landlord.

11. GOOD & SUBSTANTIAL REPAIR

(a) The Tenant shall keep, at the expense of the Tenant, at all times during the Term the Tenant Areas in a clean and sanitary condition and in good and substantial repair, and shall carry out such inspections, maintenance, repairs or replacement to the roof above the Demised Premises and the exterior walls of the Demised Premises, including but not limited to replacement of any broken glass windows and doors in the Demised Premises, and at the end or sooner termination of the said lease, peaceably surrender and yield up the Tenant Areas in good and substantial repair and condition (reasonable wear and tear to the extent that the same does not render any mechanical or electrical component unworkable, damage by fire, storm, tempest or other casualty and structural repairs referred to in Section 25 excepted) and, without limiting the generality of the foregoing, the Tenant shall, during the Term, cause such good management and care to be taken of the Tenant Areas and the various parts thereof, both interior and exterior, that no injury to the same shall occur, and that the pipes, pumps, valves, reservoirs, sinks, baths, plumbing apparatus and fastenings of all kinds on the said premises and all electrical apparatus and lights and light fixtures shall be kept during the Term in a state of efficient and good working order, and that all heating apparatus, water closets, sinks, baths and accessories thereto on the Demised Premises shall be protected from frost and kept at all times free from any uncleanness or obstruction that would prevent their efficient working and that repairs needful or expedient to keep them in efficient working order during the Term will be borne by the Tenant. Except as otherwise provided in this Lease, the Tenant shall be responsible for all repairs, maintenance and decoration with respect to the Tenant Areas and will promptly, at its expense, carry out any and all repairs, maintenance and decoration with respect to the same and will promptly, at its expense, carry out any and all repairs required thereto. The Tenant shall be responsible for all janitorial services respecting the Demised Premises, including the washing of windows therein both inside and outside and for clearing of sidewalks and vehicle standing or moving areas within the Tenant Areas of debris and ice and snow. Except for the purposes provided for in this Section 11(a), the Tenant shall not access the roof of the Demised Premises or install or store any equipment or other property on the roof of the Demised Premises without the consent in writing of the Landlord which consent may be withheld in the sole discretion of the Landlord.

(b) Without limiting the generality of Section 11(a) or derogating from the provisions thereof, the Tenant shall maintain in good condition to the satisfaction of the Landlord, the heating, ventilation and air conditioning system(s), if any, in or serving only the Demised Premises and shall operate, repair and replace, all subject to exceptions in Section 11(a) hereof, the system and all parts when necessary throughout the Term which shall include the following:

(i) change filters;
(ii) oil motors; and
(iii) all systems to be checked at least twice a year by a qualified serviceman.

PROVIDED HOWEVER, that the Landlord may at its sole option, from time to time, elect by written notice to the Tenant to carry out or have carried out at the expense and in the name of the Tenant the Tenant's obligations pursuant to this Section 11(b) for such periods of time as the Landlord may determine, and the cost thereof shall be payable to the Landlord (or such other person designated by the Landlord) by the Tenant forthwith on demand together with interest thereon at the aforesaid rate from the date of the expenditure of such monies by the Landlord until paid by the Tenant. The Tenant shall provide to the Landlord copies of all maintenance contracts and inspections and reports.

(c) [INTENTIONALLY DELETED]

12. ENTRY TO INSPECT

The Tenant shall permit the Landlord or its agents, on three (3) days' notice, provided that no notice need be given in the event of an emergency, to enter the Tenant Areas, to view the state of repair of the Tenant Areas. If the Landlord is required to provide notice pursuant to this Section 12 and the Tenant, during the notice period, delivers written notice to the Landlord designating a representative to accompany the Landlord or its agent at the proposed time of access, the Landlord or its agents shall access the Tenant Areas with the designated representative. If the Tenant fails to designate a representative or the designated representative fails to attend the Tenant Areas to accompany the Landlord or its agent at the time and date set out in the Landlord's notice, the Landlord shall be entitled to access the Tenant Areas without a representative of the Tenant. The Tenant shall forthwith, after the receipt of a written notice from the Landlord to conduct repairs or replacements, commence and diligently proceed to make such repairs and replacements as the Tenant may be obligated to make and in the event of the Tenant's failure or neglect so to do, the Landlord or its agents may enter the Tenant Areas and, at the Tenant's expense perform and carry out such repairs or replacements and the Landlord in so doing shall not be liable for any inconvenience, disturbance, loss of business or other damage resulting therefrom. In the event the Landlord expends any monies pursuant to this Section the Tenant will pay the same together with an administrative service fee of twenty (20%) per cent of such monies on demand together with interest thereon at the aforesaid rate from the date of the expenditure of such monies by the Landlord until paid by the Tenant.

13. QUALITY OF REPAIR

All repairs and replacements made by the Tenant to the Tenant Areas shall be of quality and class at least equal to the original and shall become the property of the Landlord absolutely and a part of the Demised Premises or the Exclusive Use Area as the case may be.

14. ENVIRONMENTAL HAZARDS

The Tenant shall not create, store or bring upon or release from the Land any substance of a hazardous or toxic nature including any substance or material defined as a contaminant or pollutant or a hazardous or toxic substance or material under any environmental law in force in the Province of Alberta (collectively being "Hazardous Substances") nor permit the same to occur except in strict compliance with all applicable legislation of any governmental or quasi-governmental authority and the prior consent of the Landlord which consent may be arbitrarily withheld. If the Tenant has created, stored or brought upon or released from the Land any Hazardous Substance the Landlord may at the cost and expense of the Tenant have an environmental audit of the Land conducted. The Tenant shall be responsible for any remediation to the Land and any other affected lands as required by the Landlord as a result of activities prohibited or permitted pursuant to this Section 14 including but not limited to remediating the Land to the same level of contamination present at the commencement of the Fixturing Period.

15. NUISANCE, WASTE

The Tenant shall not use or occupy the Tenant Areas or suffer or permit the same to be used for any unlawful purpose, or for any dangerous, noxious or offensive trade or business, or for any purpose causing any public or private nuisance or endangering the general public or neighboring properties, tenants or tenements (it being understood that the use of the Tenant Areas as provided in Section 16 hereof shall not be a default of the preceding provisions of this Section 15) nor undertake any excavation or operation causing the same nor to commit or suffer to be done any waste, damage or disfigurement or injury to the Tenant Areas or any improvement thereon.

16. USE

The Tenant shall actively and continuously occupy and use the Tenant Areas only for the growth, manufacturing, storage and distribution of cannabis and cannabis related products in accordance with

applicable law and licensing requirements (the "Permitted Use") and shall not carry on any other business without first obtaining the written consent of the Landlord, which consent may be arbitrarily withheld.

17. ORDINANCES & REGULATIONS

The Tenant shall observe and fulfill the provisions and requirements of all statutes, orders-in-council, by-laws, rules and regulations, municipal, parliamentary or other lawful authority applicable to the state or use of the Tenant Areas and the conduct of the Tenant's business in or from the Tenant Areas, and shall comply with any applicable regulation or order of any liability or fire insurance company by which the Landlord or Tenant may be insured. All fines, charges, costs, damages, or other expenses resulting from the default or infringement of, or changes in the Tenant Areas required to comply with the provisions of this Section 17 shall be borne by the Tenant.

18. ASSIGNING & SUB-LETTING

The Tenant shall not, in any circumstances, assign or transfer this Lease or the Term or portion thereof or let or sub-let all or any part of the Demised Premises or grant any license or sub-license with respect to the Tenant Areas without the written consent of the Landlord first being had and obtained, such consent not to be unreasonably withheld; PROVIDED HOWEVER, that any such assignment, transfer, letting, sub-letting or licensing shall not affect the obligation of the Tenant to perform the covenants in this Lease contained. Whether or not the Landlord consents to any proposed assignment, transfer, letting or sub-letting the Tenant shall pay to the Landlord a reasonable allowance for the internal costs of the Landlord in considering the request for such consent as well as all reasonable third party costs incurred by the Landlord in considering and processing such request and if the consent is given in completing the documentation involved in implementing such assignment, transfer, letting or sub-letting.

The Tenant shall, when requesting the Landlord's prior written consent to any assignment, transfer, sub-letting, or licensing, forward to the Landlord a copy of those terms and conditions relating to the same and the Landlord's consent, if granted, shall not preclude the Landlord from the right to approve any further assignment, transfer, sub-letting or licensing, and PROVIDED FURTHER, as a term of such consent the Landlord may require the assignee, transferee, sub-Tenant or licensee to covenant directly with the Landlord to observe, perform and comply with the Tenant's obligations contained or referred to in this Lease. In the event of such assignment, transfer, sub-letting, or licensing all monies payable by the assignee, transferee, sub-Tenant, or licenses shall, at the option of the Landlord, be paid directly to the Landlord, who shall credit the same as and when received to payments required and reserved hereunder. The Landlord shall, in addition thereto, be entitled to receive any excess of such monies over and above monies payable and reserved hereunder.
If the Tenant is a corporation, other than a corporation the shares of which are listed on any recognized stock exchange, effective control of the corporation shall not be changed directly or indirectly by a sale, encumbrance or other disposition of shares or otherwise howsoever without first obtaining the written consent of the Landlord; provided that the Landlord's consent shall not be required for any sale or other disposition of shares by present shareholders to and between themselves or in the event of any transmission of shares on death or by operation of law and provided that the Landlord's consent shall not be unreasonably withheld where control of the Tenant is to pass to a subsidiary or parent of the Tenant.

19. INDEMNIFICATION

Notwithstanding any other provisions of this Lease to the contrary, the Tenant shall indemnify and save harmless the Landlord from any and all liabilities, damages, commercially reasonable costs, claims, suits, or actions resulting from:

(a) any breach, violation or non-performance of any covenant, condition or agreement in this Lease set forth and contained on the part of the Tenant to be fulfilled, kept, observed and performed;

(b) any damage to property, including property of the Landlord, occasioned by the operations of

the Tenant's business on, or the Tenant's occupation of the Tenant Areas;

(c) any injury to person or person, including death, resulting at any time therefrom, occasioned by the operation of the Tenant's business on, or the Tenant's occupation of, the Tenant Areas;

such indemnification to survive the expiration or sooner termination of the Term, notwithstanding anything herein contained to the contrary.

20. TENANT'S INSURANCE

The Tenant shall during the whole of the Term maintain the following insurance at the Tenant's sole expense in such form and with such companies as the Landlord may reasonably approve:

(a) standard fire and extended coverage and malicious damage insurance on any leasehold improvements, Tenant's trade fixtures, merchandise, stock in trade, furniture, and other personal property of or in the care or custody of the Tenant on the Tenant Areas to their full replacement value;

(b) comprehensive form boiler and machinery insurance on any such equipment in the Tenant Areas owned by or in the care, custody or control of the Tenant;

(c) commercial general liability insurance respecting the Tenant's use and occupancy of, and business carried on in or from the Tenant Areas in an amount of not less than Five Million Dollars ($5,000,000.00) for any one occurrence or claim;

(d) business interruption insurance;

(e) auto liability for the Tenant's leased or owned vehicles which are used in connection with its Permitted Use in and from the Tenant Areas; and

(f) such other insurance as the Landlord may reasonably require from time to time.

21. REQUIREMENTS OF TENANT'S INSURANCE

Each policy of insurance shall be in a form and with insurers acceptable to the Landlord and shall name the Landlord as an additional insured as its interest may appear. The policy of commercial general liability insurance shall contain a provision for cross liability or severability of interest as between the Landlord and the Tenant. Each policy of insurance of the Tenant (other than any public liability policy) shall contain a waiver of the insurer's right of subrogation against the Landlord, its officers, employees, agents, advisors and contractors. The Tenant shall obtain from the insurer under each policy an undertaking to notify the Landlord in writing at least thirty (30) days prior to any cancellation or reduction in coverage thereof.

22. PREMIUMS

The Tenant shall forward to the Landlord satisfactory evidence as to the existence of any such insurance policy referred to in Section 21 prior to obtaining access to the Tenant Areas as contemplated in Section 3 and evidence as to the renewal or replacement of any such insurance policy at least fifteen (15) days prior to the expiration date recited in any such policy. If the Tenant fails to insure, keep insured, or provide proof of insurance as herein provided, the Landlord shall be at liberty to effect such insurance and pay the premium thereof and the Tenant shall pay the cost thereof to the Landlord together with an administrative service fee of twenty (20%) per cent of such cost and interest on all the foregoing at the rate aforesaid from the date of such expenditure by the Landlord until the date of payment by the Tenant.

23. DAMAGE

The Tenant shall not bring upon the Land or any part thereof any vehicles, machinery, equipment, safes, articles or things that by reason of their weight, size or use might damage the floors of the Demised Premises or other surfaces or improvements of the Land and that if any damages is caused by any such vehicle, machinery, equipment, or any person having business with the Tenant, the Tenant will at the election of the Landlord either forthwith at the sole cost of the Tenant repair such damage or pay the costs of repair together with an administrative service fee of twenty (20%) percent of such costs to the Landlord.

24. QUIET POSSESSION

Upon the Tenant paying the rent hereby reserved and all other charges herein provided and observing, performing and keeping the covenants and agreements herein contained, the Tenant shall and may peaceably possess and enjoy the Demised Premises and the license for the Exclusive Use Area for the Term.

25. REPAIRS BY LANDLORD

(a) The Landlord shall carry out structural repairs to footings, structural columns, foundations, exterior walls and roof decks of the Demised Premises which:

(i) interfere with or impair the use or occupancy of the Demised Premises by the Tenant; or

(ii) are deemed necessary by the Landlord to maintain the structure of the Demised Premises in good and substantial repair.

(b) The Landlord shall not be responsible for any damages, loss or injuries sustained by the Tenant, or any persons claiming through or under it, by reason of the conditions or defects giving rise to the need for repairs pursuant to this Section 25 or the consequences thereof, including the inconvenience occasioned to the Tenant by the entry of the Landlord or its agents on the Demised Premises to effect such repairs unless such damages, loss or injuries are caused by the negligence of the Landlord or anyone for whom the Landlord is responsible at law and are not the subject of the waiver of subrogation referred to in Section 20.

26. LANDLORD'S INSURANCE

The Landlord, acting reasonably, shall carry or cause to be carried the following insurance:

(a) commercial general liability insurance, including for personal injury, bodily injury, property damage and contractual liability, in an amount as would be carried by reasonably prudent owners of properties similar to the Land;

(b) property insurance on an "all-risks" basis, including sewer back-up, flood, and earthquake and collapse, for the full replacement cost of the Demised Premises and any improvements and installations thereto, except for leasehold Improvements, Tenant's trade fixtures, merchandise, stock in trade, furniture, and other personal property of or in the care or custody of the Tenant on the Demised Premises;

(c) such other forms of insurance as the Landlord reasonably considers advisable or the Landlord's mortgagee requires.

All insurance obtained by the Landlord shall be for the sole benefit of the Landlord and the Tenant shall not be entitled to any interest therein, benefit therefrom or a waiver of subrogation by the insurer. A policy

of insurance required to be maintained by the Landlord may be a "blanket" policy whereby a number of properties owned by the Landlord or its related or affiliated corporations are insured and the Landlord and its insurance consultant may reasonably allocate a portion of the total cost of such blanket insurance policy to the cost of insuring the Tenant Areas.

The Landlord shall not in any way be accountable to the Tenant regarding the use of any insurance proceeds arising from any claim, and the Landlord shall not be obliged to account for such proceeds, or to apply such proceeds to the repair or restoration of that which was insured except to the extent provided herein. If the Tenant desires to receive indemnity by way of insurance for any property, work or thing whatever including leasehold Improvements, Tenant's trade fixtures, merchandise, stock in trade, furniture, and other personal property of or in the care or custody of the Tenant on the Tenant Areas, the Tenant shall insure same for its own account and shall not look to the Landlord for reimbursement or recovery in the event of loss or damage from any cause, whether or not the Landlord has insured same and recovered therefore.

27. TAXES

The Landlord shall pay or cause to be paid the Real Property Taxes, PROVIDED HOWEVER, that nothing contained in this Section 27 shall derogate from the Tenant's covenant contained in Section 8 hereof.

28. DAMAGE AND DESTRUCTION

(a) If the Demised Premises shall at any time during the Term be damaged or destroyed by fire, lightning, earthquake, tempest or other casualty, so as:

(i) the same are damaged or destroyed, to the extent that the same cannot with reasonable diligence be rebuilt, repaired or restored within one hundred and eighty (180) days of the date of such damage or destruction (which determination shall be made in the opinion, in writing, of an architect selected by the Landlord, which written opinion shall be delivered to the Tenant within thirty (30) days of the occurrence of such damage) then the Landlord may terminate this Lease by notice in writing to the Tenant given within thirty (30) days of the occurrence of such damage and on the giving of such notice, the rent hereby reserved shall be forthwith payable by the Tenant only to the date of such damage or destruction and the Term shall immediately terminate and the Landlord may forthwith re-enter and take possession of the Demised Premises and deal with the same as full and effectively as if these presents had not been entered into. But if within the said period of thirty (30) days the Landlord shall not give notice terminating the Term, then as soon as reasonably practicable thereafter the Landlord shall undertake or continue the repair of the same with all reasonable diligence and the Basic Rent, or a proportionate part thereof depending upon the proportion of the Demised Premises that are not fit for use by the Tenant for the intended purpose of the lease, shall abate until the Demised Premises have been rebuilt and made fit for the purpose of the Tenant.

(ii) the same are damaged or destroyed to the extent that the same can, with reasonable diligence, be rebuilt, repaired or restored within one hundred and eighty (180) days of the date of such damage and destruction (which determination shall be made in the opinion, in writing, of an architect selected by the Landlord, which written opinion shall be delivered to the Tenant within thirty (30) days of the occurrence of such damage). The Landlord shall as soon as reasonably practicable after such determination undertake or continue the repair of the same with all reasonable diligence provided, however, that nothing herein contained shall impose any obligation upon the Landlord to complete such repair within the period of one hundred and eighty (180) days and the Basic Rent, or a

proportionate part depending upon the proportion of the Demised Premises that are not fit for use by the Tenant for the intended purpose of this Lease, shall abate until the Demised Premises have been rebuilt and made fit for the purpose of the Tenant.

(b) For greater certainty it is agreed that the expression "Demised Premises" shall be deemed not to include the Tenant's trade fixtures, merchandise, stock in trade, furniture, or other property.

(c) If the Landlord rebuilds or restores the Demised Premises as contemplated in this Section 28, it will not be required to reproduce exactly the Demised Premises or restore the same to the exact condition that existed before the damage, provided that it reproduces or restores the same to a comparable condition.

(d) The certification of the Landlord's representative in charge of the rebuilding or restoration will bind the parties hereto as to the state of usability of the Demised Premises and to the date upon which the Landlord's work of reconstruction or restoration is completed and the premises fit for the purpose of the Tenant.

(e) Notwithstanding any of the foregoing provisions of this Section 28 to the contrary, in the event that the damage or destruction referred to above is caused by the negligence or misconduct or act of the Tenant, its agents, contractors, licensees, employees, or other persons for whom in law the Tenant is responsible, the Tenant shall indemnify and save harmless the Landlord and this indemnity shall survive the expiration or sooner termination of the lease.

29. ALTERATIONS & IMPROVEMENTS

Should the Tenant require any alterations, improvements, partitions, or changes of whatsoever kind to or in the Tenant Areas after the Tenant has taken possession thereof, the Tenant will make and install the same at its own expense in accordance with all applicable laws and regulations; PROVIDED HOWEVER, that no alterations, improvements, partitions, or changes of whatsoever kind shall be made without the written consent of the Landlord first had and obtained, such consent not to be unreasonably withheld; PROVIDED FURTHER, that any such repairs, alterations, improvements, partitions, or changes of whatsoever kind shall be made in a good and workmanlike manner with new, first-class materials and shall be carried out and the plans relating thereto shall be prepared by such tradesmen, engineers or consultants as are approved by the Landlord, which approval shall not be unreasonably withheld. All alterations, improvements, partitions and changes made in or to the Tenant Areas at any time before or after the taking of possession by the Tenant, by the Tenant or the Landlord, shall immediately become the property of the Landlord and form part of, and shall remain upon, the Tenant Areas, PROVIDED ALWAYS that the Landlord may at the expiration or sooner termination of this Lease for any reason whatsoever require that the Tenant restore the Tenant Areas in whole or in part to the same condition in which they were at the time of the entering into this Lease, the exceptions to the Tenant's repair obligations only excepted.

Notwithstanding any of the foregoing provision of this Section 29 to the contrary all trade fixtures installed in the Tenant Areas by the Tenant and all other property not attached or affixed to the Tenant Areas other than by its own weight and installed in the Tenant Areas by the Tenant shall remain the property of the Tenant and shall not form a part of the Land during the Term provided that such trade fixtures which are attached or affixed to the Demised Premises other than by their own weight and other than for those excepted fixtures with respect to which the Landlord, prior to their installation, granted to the Tenant a right of removal at the expiration or sooner termination of the lease, shall become the sole property of the Landlord; PROVIDED HOWEVER, that the Landlord may at the expiration or sooner termination of this Lease require that the Tenant remove any such fixtures and restore the Demised Premises in whole or in part to the same condition in which they were at the time of the entering into this Lease, the exceptions to the Tenant's repair obligations only excepted.

30. SIGNS

No signs shall be installed which are visible from the exterior of the Tenant Areas without the prior written approval of the Landlord before their installation as to location, design and style, such approval not to be unreasonably withheld, and shall conform to all applicable codes or statutes. Any such signs shall be installed by the Tenant without payment for such right by the Tenant to the Landlord and, at the termination of this Lease, shall be removed by the Tenant and any damages caused by such removal shall be repaired, all at the expense of the Tenant. The Landlord consents to the installation of signage on the fascia of the Demised Premises of a design and style determined by the Tenant but subject to the Landlord's prior written consent of such design and style which approval shall not be unreasonably withheld.

31. NO LIENS

The Tenant shall not suffer or permit during the Term any Builder's Liens or other liens for work, labour, services or material ordered by it or for the cost of which it may in any way be obligated, to attach to the Land or any portion thereof, or to any improvements erected upon the same, and that whenever and so often, if ever, as any such lien or liens shall be filed or shall attach, the Tenant will within five (5) days thereafter either pay the same or procure the discharge thereof by giving security or in such other manner as is or may be required or permitted by law.

In the event the Tenant fails to take such action as aforesaid, the Landlord may, but shall not be obliged to, take such action as may be necessary to procure the discharge of such lien and the Tenant shall forthwith upon demand from the Landlord pay the Landlord any and all expenses and amounts, including legal fees, so incurred in discharging any such lien.

32. TIME FOR PAYMENT AND LEGAL COSTS

All amounts required to be paid by the Tenant to the Landlord pursuant to this Lease shall, unless otherwise specified herein, be payable on demand at the place and to the person designated by the Landlord for payment of rent and if not so paid within ten (10) days of demand shall be treated as rent in arrears and the Landlord may, in addition to any other remedy it may have for the recovery of the same distrain for the amount thereof as rent in arrears.

In the event that the Tenant shall make default in payment of any sums required to be paid by it under this Lease (other than payments to the Landlord), the Landlord may pay the same.

Unless otherwise expressly provided herein all sums referred to in the preceding paragraph of this Section 32 and all costs paid by the Landlord as between solicitor and client on account of any default by the Tenant under this Lease, shall be payable by the Tenant to the Landlord forthwith, either before or after payment by the Landlord with interest thereon at the rate aforesaid from date of payment of such sums or costs by the Landlord. The Landlord may, by notice to the Tenant, demand payment thereof and if not paid by the Tenant within ten (10) days of such notice the amount thereof shall be deemed to be rent in arrears and the Landlord may, in addition to any other remedy it may have for the recovery of the same, distrain for the amount thereof as rent in arrears.

33. DEFAULT

If and whenever:

(a) the Basic Rent, or any part thereof, be not paid when due, or there is non-payment of any other sum which the Tenant is obligated to pay under any provisions of this Lease, and such default in either case shall continue for ten (10) days after notice by the Landlord requiring the Tenant to rectify the same; or

(b) the Term, or any goods, chattels or equipment of the Tenant, shall be taken or be exigible

in execution or in attachment or if a writ or execution shall issue against the Tenant; or

(c) the Tenant shall become insolvent or commit an act of bankruptcy or become bankrupt or take the benefit of any Act that may be in force for bankrupt or insolvent debtors or become involved in a winding-up proceeding, voluntary or otherwise, or if a receiver shall be appointed for the business, property, affairs or revenues of the Tenant, or if any governmental authority shall take possession of the business or property of the Tenant; or

(d) the Tenant shall make a bulk sale of its goods or move or commence, attempt or threaten to move its goods, chattels and equipment out of the Tenant Areas (other than in the routine course of its business) or shall, for a period of fifteen (15) consecutive days (without written consent of the Landlord), fail to conduct business from the Tenant Areas; or

(e) the Tenant shall purport to assign, transfer, sub-let or grant a license or sub-license with respect to any portion or all of the Term or the Tenant Areas or control of the Tenant if a corporation is changed without, in either of the aforesaid cases, the written consent of the Landlord; or

(f) the Tenant fails to remedy any condition giving rise to cancellation, threatened cancellation, reduction or threatened reduction of any insurance policy on the Land or any part thereof within twenty four (24) hours after notice thereof by the Landlord; or

(g) the Tenant shall abandon or vacate the Demised Premises; or

(h) the Tenant shall not observe, perform and keep any other of the covenants, agreements, provisions, stipulations and conditions herein to be observed, performed and kept by the Tenant and shall persist in such failure for ten (10) days after notice by the Landlord requiring that the Tenant remedy, correct, desist or comply (or in the case of any such breach which reasonably would require more than ten (10) days to rectify unless the Tenant shall commence rectification within the said ten (10) day period and thereafter promptly and diligently and continuously proceed with the rectification of the breach);

then and in any of such cases at the option of the Landlord, the full amount of the current month's and next ensuing three (3) months' installments of rent shall immediately become due and payable and the Landlord may immediately distrain for the same, together with any arrears then unpaid; and the Landlord may without notice or any form of legal process forthwith re-enter upon (and may break locks or doors for that purpose) and terminate the license of the Tenant to the Exclusive Use Area and take possession of the Tenant Areas or any part thereof in the name of the whole and remove and sell the Tenant's goods, chattels and equipment therefrom, any rule of law or equity to the contrary notwithstanding; and the Landlord may seize and sell such goods, chattels and equipment of the Tenant as are in the Tenant Areas or at any place at which the Landlord or any other person may have removed them in the same manner as if they had remained and been distrained upon the Tenant Areas; and such sale may be effected in the discretion of the Landlord either by public auction or by private treaty, and either in bulk or by individual item, or partly by one means and partly by another, all as the Landlord in its entire discretion may decide.

34. CONSEQUENCES OF DEFAULT

If and whenever the Landlord is entitled to re-enter the Demised Premises, or does re-enter the Demised Premises, the Landlord may either terminate this Lease by giving written notice of termination to the Tenant, or by posting notice of termination in the Demised Premises, and in such event the Tenant will forthwith vacate and surrender the Tenant Areas or alternatively, the Landlord may from time to time without terminating the Tenant's obligations under this Lease, make alterations and repairs considered by the Landlord necessary to facilitate a sub-letting and sub-let the Demised Premises or any part thereof as

agent of the Tenant for such term or terms and at such rent or rents and upon such other terms and conditions as the Landlord in its reasonable discretion considers advisable. Upon each sub-letting all rent and other monies received by the Landlord from the sub-letting will be applied first to the payment of indebtedness other than rent due hereunder from the Tenant to the Landlord, second to the payment of costs and expenses of the sub-letting including brokerage fees and solicitors' fees and costs of the alterations and repairs, and third to the payment of rent due and unpaid hereunder. The residue, if any, will be held by the Landlord and applied in payment of future rent as it becomes due and payable. If the rent received from the sub-letting during a month is less than the rent to be paid during that month by the Tenant, the Tenant will pay the deficiency to the Landlord. The deficiency will be calculated and paid monthly. No re-entry by the Landlord will be construed as an election on its part to terminate this Lease unless a written notice of that intention is given to the Tenant or posted as aforesaid. Despite a sub-letting without termination, the Landlord may elect at any time to terminate this Lease for a previous breach. If the Landlord terminates this Lease for any breach, the Tenant will pay to the Landlord on demand therefor:

(a) both Basic and Additional Rent, up to the time of re-entry or termination, whichever is later, plus accelerated rent as provided for in Section 33;

(b) all costs payable by the Tenant pursuant to the provisions hereof up until the date of re-entry or termination whichever is later;

(c) such expenses as the Landlord may incur or has incurred in connection with re-entering or terminating and re-letting, or collecting sums due or payable by the Tenant or realizing upon assets seized including brokerage expense, legal fees and disbursements determined on a solicitor-client basis, and including the expense of keeping the Tenant Areas in good order and repairing or maintaining the same or preparing the Tenant Areas for re-letting; and

(d) as liquidated damages for the loss of rent and other income of the Landlord expected to be derived from this Lease during the period which would have constituted the unexpired portion of the Term had it not been terminated, the amount, if any, by which the rental value of the Tenant Areas for such period established by reference to the terms and provisions of the lease, exceeds the net effective rental value of the Demised Premises for such period established by reference upon which the Landlord re-lets the Demised Premises, if such re-letting is accomplished within a reasonable time after termination of this Lease, and otherwise with reference to all market and other relevant circumstances. Rental value is to be computed in each case by reducing to present worth at an assumed interest rate equal to the lesser of the Prime Rate or eight (8%) percent per annum all rent and other amounts to become payable for such period and where the ascertainment of amounts to become payable requires it, the Landlord may make estimates and assumptions of fact which will govern unless shown to be unreasonably or erroneous.

35. REMEDIES CUMULATIVE

Each right and remedy of the Landlord contained in this Lease is cumulative and not dependent the one on the other. Mention of any particular remedy or remedies of the Landlord in respect of any default by the Tenant shall not preclude the Landlord from any other remedy in respect thereto, whether available at law or in equity or as expressly provided for in this Lease.

36. DISTRESS

The Tenant waives and renounces the benefit of any present or future statue or any amendments thereto taking away or limiting the Landlord's right of distress and agrees with the Landlord that, notwithstanding any such enactment, all goods and chattels of the Tenant from time to time on the Tenant Areas shall be subject to distress for arrears for rent.

37. SURRENDER

The Tenant shall, subject to any provisions of Section 29 or this Section 37 to the contrary, at the expiration or sooner termination peacefully surrender and yield up to the Landlord all and every part of the Tenant Areas together will all buildings, structures, and fixtures including all appurtenances, alterations, repairs, additions and replacements thereto all in good order, condition and repair, the exceptions to the Tenant' repair obligations only excepted, PROVIDED ALWAYS, that the Tenant shall on the expiration or sooner termination of this Lease sever and remove any and all fixtures which are not or have not become the property of the Landlord and the Tenant shall forthwith restore and repair the Tenant Areas and any damage caused as a result of such severance or removal. If the Tenant does not so sever and remove in the time hereinbefore limited, the Landlord at its option may do so at the expense of the Tenant and the Tenant will have no interest whatsoever therein, PROVIDED ALWAYS, that no such fixtures and no goods or chattels of any kind will, except in the ordinary course of business, be removed from the Tenant Areas during the Term or at any time thereafter without the written consent of the Landlord first had and obtained and until all rent in arrears has been fully paid.

38. RIGHT TO EXHIBIT PREMISES

The Landlord and its agents may at all reasonable times enter the Tenant Areas to exhibit the same for the purposes of sale and may at all reasonable times during the last one hundred and eighty (180) days of the Term enter the Tenant Areas to exhibit the same for purposes of rent and, in addition thereto, may display the usual "For Sale" and "To Let" signs thereon in conjunction therewith.

39. OVERHOLDING

If the Tenant remains in possession of the Tenant Areas after the expiration of the Term there shall be no implied renewal of the Term and the Tenant shall be occupying the Tenant Areas on a month-to-month basis on the terms and conditions contained in this Lease other than for:

(a) the monthly Basic Rent which shall be Two Hundred (200%) per cent of the monthly instalment of Basic Rent in the last year of the Term;

(b) any right or option to renew or extend the Term, any right or option in respect of additional space and any exclusivity of use, none of which shall apply to the month-to-month tenancy; and

(c) the Landlord may terminate the month-to-month tenancy at the end of any month by not less than thirty (30) days' notice to the Tenant.

No term or condition of this Lease, including this Section 39, authorizes the Tenant to remain in possession of the Demised Premises or the Exclusive Use Area after the expiration of the Term without the Landlord's consent.

40. WAIVER BY THE LANDLORD

The failure of the Landlord to insist in any one or more cases upon the strict performance of any of the covenants of this Lease or to exercise any option herein contained shall not be construed as a waiver or a relinquishment for the future of such covenant or option and the acceptance of rental by the Landlord with knowledge of the breach by the Tenant of any covenants or conditions of this Lease shall not be deemed a waiver of such breach and no waiver by the Landlord of any provision of the lease shall be deemed to have been made unless expressed in writing and signed by the Landlord.

41. NOTICES

Any notices herein provided or permitted to be given by the Tenant to the Landlord shall, except in the event of mail strike during which time all notices must be personally delivered, be sufficiently given if

delivered in person or sent by registered mail, postage prepaid, posted within Canada addressed to the Landlord at:

1300,10423 101 Street
Edmonton AB T5H 0E7
Attention: Vice President, Commercial Development

With a copy to:

Rancho Realty (Edmonton) Ltd.
1350, 10423 101 Street
Edmonton, AB T5H 0E7
Attention: General Manager

and/or such address(es) as may be designated in writing by the Landlord from time to time, and any notice herein provided or permitted to be given by the Landlord to the Tenant shall, except in the event of mail strike during which time all notices must be personally delivered, be sufficiently given if delivered in person or mailed postage prepaid, posted within Canada, addressed to the Tenant at the Demised Premises and/or such address(es) as may be designated in writing by the Tenant from time to time.

Notice given as aforesaid, if posted in Canada, shall be conclusively deemed to have been given on the fifth business day following the day on which such notice is mailed; of if delivered in person, on the date of delivery. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice, and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notice hereunder. The word "notice" in this paragraph shall be deemed to include any request, statement or other writing in this Lease provided or permitted to be given by the Landlord or the Tenant.

42. RULES & REGULATIONS

The Tenant shall observe and comply with such reasonable rules and regulations as shall be communicated in writing to the Tenant from time to time, which in the judgment of the Landlord shall be necessary for the reputation, safety, care and appearance of the Land and for the preservation of good order therein or the operation or maintenance of the Land, or the comfort of the tenants or other occupants or users of the Land, which rules and regulations (which may be changed from time to time by the Landlord)shall be deemed to be incorporated in and form part of this Lease.

43. SUBORDINATION AND ACKNOWLEDGEMENTS

Neither the Tenant nor anyone claiming through the Tenant shall be entitled to register this Lease against title to the Land, but the Tenant may register a caveat with respect thereto provided such caveat shall only disclose the parties, the Demised Premises, the commencement and expiration dates of the initial Term and any renewal term and provided the Tenant has obtained the prior written approval of the Landlord, which approval shall not be unreasonably withheld, to the wording of the caveat. If any such caveat is registered and in the further event of a mortgage or trust deed or deeds supplemental thereto being registered against the Land, such mortgage or trust deed or deeds supplemental thereto shall take priority over this Lease in every respect and the Tenant shall within ten (10) days of the request of the Landlord execute and deliver to the Landlord any and all documents required to give effect to the foregoing, including postponements under the appropriate Land Titles Act for the Province of Alberta dealing with such matters provided that in such event the Landlord shall use reasonable efforts to cause the mortgagee or the trustee to deliver to the Tenant an agreement which shall permit the Tenant to continue in quiet possession of the Demised Premises in accordance with the terms of this Lease as long as the Tenant is not in default hereunder, whether such mortgage or trust deed or deeds supplemental thereto is in good standing or not. Further, the Tenant shall within ten (10) days of the request thereof by the Landlord, from time to time, execute and deliver to the Landlord and, if required by the Landlord, any

mortgagee (including any trustee under a deed of trust and mortgage) or other person designated by the Landlord, a certificate in writing as to the then status of this Lease, including whether it is in full force and effect, is modified or unmodified, confirming the rent payable hereunder and the state of accounts between the Landlord and the Tenant and the existence or non-existence of defaults and any other matters pertaining to the lease as to which the Landlord shall request of such certificate. PROVIDED FURTHER, that the Tenant, whenever requested by any mortgagee (including any trustee under a deed of trust and mortgage) shall attorn to such as a Tenant upon all terms and conditions of this Lease and shall execute promptly whenever requested by the Landlord or by such mortgagee an instrument of attornment.

44. NOTICE OF DEFECTS

The Tenant will at all times, with respect to those matters of which the Tenant shall have knowledge, give the Landlord prompt written notice of any accident or defect to or in the water pipes, gas pipes, air conditioning equipment, heating apparatus, electrical apparatus or other wires, or plumbing fixtures in the Demised Premises.

45. TIME OF ESSENCE

Time shall be of the essence hereof.

46. HEADINGS

The parties hereto agree that the headings form no part of this Lease and shall be deemed to have been inserted for the convenience of reference only.

47. INTERPRETATION

Wherever the singular or one gender are used throughout this Lease they shall be construed as if the plural and all genders have been used where the context of the party or parties hereto so requires and the rest of the sentence shall be construed as if the necessary grammatical and terminological changes thereby rendered necessary had been made.

48. ACCEPTANCE

The Tenant does hereby accept this Lease of the Demised Premises to be held by it as tenant and subject to the conditions, restrictions and covenants herein set forth.

49. GOVERNING LAWS

This lease and any rules and regulations adopted hereunder shall be governed by the laws in force in the Province of Alberta. Should any provisions of this Lease and/or its conditions be illegal or not enforceable under the laws in force in the Province of Alberta, it or they shall be considered severable and this Lease and its conditions shall remain in force and be binding upon the parties as though the provision or provisions had never been included.

50. REPRESENTATIONS

The Tenant hereby acknowledges that the Tenant Areas are taken without representation of any kind on the part of the Landlord or its agents other than as set forth herein. It is understood and agreed that this Lease contains all of the agreements and conditions made between the parties hereto respecting the Tenant Areas and that any addition to or alteration of or changes in this Lease or other agreements hereafter made or conditions created to be binding, must be made in writing and signed by both parties.

51. BINDING ON SUCCESSORS & APPROVED ASSIGNS

This lease and everything herein contained shall enure to the benefit of and be binding upon the parties hereto, the successors, and assigns of the Landlord and the approved successors and assigns of the Tenant.

52. SALE OR FINANCING OF LAND OR ASSIGNMENT BY LANDLORD

The Tenant acknowledges that the rights of the Landlord under this Lease may be mortgaged, charged, transferred or assigned to a purchaser or to a mortgagee or a trustee. The Tenant further acknowledges that in the event of the sale or lease by the Landlord of the Land or a portion thereof containing the Tenant Areas or the assignment by the Landlord of this Lease or of any interest of the Landlord hereunder, the Landlord shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

53. REGISTRATION

Notwithstanding the provisions of Section 43 hereof the Tenant shall, upon the request of the Landlord and at the cost and expense of the Tenant, cause a caveat based thereon to be registered in the appropriated Land Registration Office in the Province of Alberta. In the event the Landlord requires this Lease to be registered in priority to any mortgage, trust deed or trust indenture which may now or at any time hereafter affect in whole or in part the Tenant Areas or the Land, the Tenant shall execute promptly any certificate or other instrument which may from time to time be requested by the Landlord to give effect to the provisions of this Section 53.

54. EXCLUSION OF LIABILITY

It is agreed between the Landlord and the Tenant that:

(a) The Landlord, its agents, officers and employees shall not be liable for damage or injury to any property of the Tenant which is entrusted to the care or control of the Landlord, its agents, servants or employees;

(b) The Landlord, its agents, officers and employees, shall not be liable nor responsible in any way for any personal or consequential injury of any nature whatsoever that may be suffered or sustained by the Tenant or any employee, agent customer, invitee or licensee of the Tenant or any other person who may be upon the Land or for any loss or of damage or injury to any property belonging to the Tenant or to its employees or to any other person while such property is on the Land and in particular (but without limiting the generality of the foregoing), the Landlord shall not be liable for any damage or damages or any nature whatsoever to any such property or persons caused by the failure, by reason of a breakdown of any apparatus or part thereof or other cause, to supply adequate drainage, snow or ice removal, heating, air conditioning, or electricity, or by reason of the interruption of any public utility or service or in the event of steam, water, rain, or snow which may leak into, issue, or flow from any part of the Tenant Areas or from the water, steam, sprinkler, or drainage pipes or plumbing works of the same, or from any other place or quarter or for any damage caused by anything done or omitted by any Tenant. The Tenant shall not be entitled to any abatement of rental in respect of any such condition, failure or interruption of service.

(c) The Landlord, its agents, officers, employees or contractors shall not be liable for any damage suffered to the Tenant Areas or the contents thereof by reason of the Landlord, its agents, servants, employees or contractors, entering upon the Tenant Areas as herein provided to undertake any examination thereof or any work therein or in the case of an emergency.

55. LANDLORD'S RIGHT TO PERFORM

If the Tenant fails to perform any of the covenants or obligations of the Tenant under or in respect of this Lease, the Landlord may from time to time at its discretion perform or cause to be performed any such covenants or obligations or any part thereof and for such purpose as may be requisite and may enter upon the Tenant Areas to do such things, and all expenses incurred and expenditures made by or on behalf of the Landlord as well as an administrative service fee of twenty (20%) per cent of such expenses and expenditures shall be paid forthwith on demand by the Tenant to the Landlord with interest thereon from the date the same are incurred or paid by the Landlord at the interest rate herein specified. If the Tenant fails to pay the same the Landlord may add the same to the rent and recover the same by all remedies available to the Landlord for recovery of rent in arrears; PROVIDED HOWEVER, that if the Landlord commences and complete either the performance of any such covenants or obligations or any part thereof, the Landlord shall not be obliged to complete such performance or be later obliged to act in like fashion.

56. CONSENTS FROM LANDLORD

To the extent that the Tenant requires the consent or approval of the Landlord to any act or proposed act of or on behalf of the Tenant, the Tenant shall pay to the Landlord on demand all costs to the Landlord of considering the request for such consent or approval and implementing any such consent or approval including the costs to the Landlord of obtaining the advice of its professional or management advisors or consultants with respect to such request of the implementation thereof.

57. JOINT AND SEVERAL

Where the Tenant herein is comprised of more than one person, the obligations of the Tenant are joint and several obligations of each of such persons.

58. GST AND SALES TAX

Notwithstanding any other provision of this Lease to the contrary, the Tenant shall pay to the Landlord an amount equal to any and all goods and services taxes, sales taxes, value added taxes, or any other taxes imposed on the Landlord with respect to Basic Rent, Additional Rent or any other amounts payable by the Tenant to the Landlord under this Lease, whether characterized as a good and services tax, sales tax, value added tax or otherwise (herein called "Sales Taxes"), it being the intention of the parties that the Landlord shall be fully reimbursed by the Tenant with respect to any and all Sales Taxes payable by the Landlord. The amount of such Sales Taxes so payable by the Tenant shall be calculated by the Landlord in accordance with the applicable legislation and shall be paid to the Landlord at the same time as the amounts to which such Sales Taxes apply are payable to the Landlord under the terms of this Lease or upon demand at such other time or times and the Landlord from time to time determines. Notwithstanding any other provision if this Lease to the contrary, the amount payable by the Tenant under this paragraph shall be deemed not be rent or Additional Rent, but the Landlord shall have all of the same remedies for and rights of recovery of such amount as it has for recovery of rent under this Lease.

59. SECURITY INTEREST OF LANDLORD

The Tenant grants to the Landlord a security interest in the Tenant's right, title and interest in and to all changes, alterations, additions and improvements from time to time made to or installed upon or in the Tenant Areas by or behalf of the Tenant and all present and after acquired property of any kind which is now or hereafter incorporated into or affixed in Tenant Areas for all present and future obligations of the Tenant to the Landlord pursuant to this Lease. Where the Tenant has failed to remedy any payment to the Landlord within the time permitted the Tenant pursuant to this Lease, the Landlord may enter the Tenant Areas and deal with the property subject to the security as a secured party under the *Personal Property Security Act.*

60. SCHEDULES

All schedules attached hereto are deemed to be incorporated into and form a part hereof.

61. NO PARTNERSHIP

Neither this Lease nor any acts of the Landlord and Tenant pursuant to this Lease create any relationship between the parties hereto other than the relationship of Landlord and Tenant. There is no intention on the part of either the Landlord or the Tenant to create a relationship of partners or a joint venture.

62. COMPETITION ACT

No provision of this Lease is intended to apply or to be enforceable to the extent that it might give rise to any offense under the *Competition Act* (Canada) or any statute that may be substituted therefor.

63. COVENANTS

Each of the provisions of this Lease is and shall be construed as a covenant of the party so required to perform or observe the same.

64. NO EXCLUSIVITY

This Lease does not give to or confer upon the Tenant any rights to carry on any business or undertaking in or from the Land to the exclusion of third parties.

65. CONFIDENTIALITY

Except for disclosure to:

(a) its professional advisors on a need-to-know basis;

(b) as required by law; or

(c) as required to comply with or enforce any provision of this Lease,

The Tenant shall keep and shall use reasonable efforts to cause its agents, shareholders, employees, directors and officers to keep the provisions of this Lease confidential.

66. COUNTERPART EXECUTION

This Lease may be signed in one or more counterparts and delivered by facsimile or PDF transmission, each of which upon execution and delivery shall be deemed an original and when taken together shall constitute one and the same instrument.

67. INCREASE OR DECREASE TO LANDS

The Landlord reserves the right to subdivide the Land and upon any such subdivision the Tenant will have no interest pursuant to this Lease with respect to any portion of the land for which a separate title is created provided such portion does not include any Tenant Areas and any such portion such cease to be a part of the Land as defined in this Lease and the Tenant shall discharge from any such portion any caveat it has registered against the Land.

68. SUPPLEMENTAL TERMS AND CONDITIONS

The Supplemental Terms and Conditions, if any, set forth in Schedule E supersede and amend the other provisions of this Lease to the extent set forth therein.

IN WITNESS WHEREOF the parties hereto have executed this agreement by their respective duly authorized officers in that behalf as of the day and year first above written.

STAR PREBUILT HOMES LTD.

Per:_____
(I have authority to bind the corporation)

FREEDOM CANNABIS INC.

Per:_____
(I/We have authority to bind the corporation)

Per:_____
(I/We have authority to bind the corporation)

68. SUPPLEMENTAL TERMS AND CONDITIONS

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Per:_____
(I/We have authority to bind the corporation)

Per:_____
(I/We have authority to bind the corporation)

SCHEDULE A
LAND

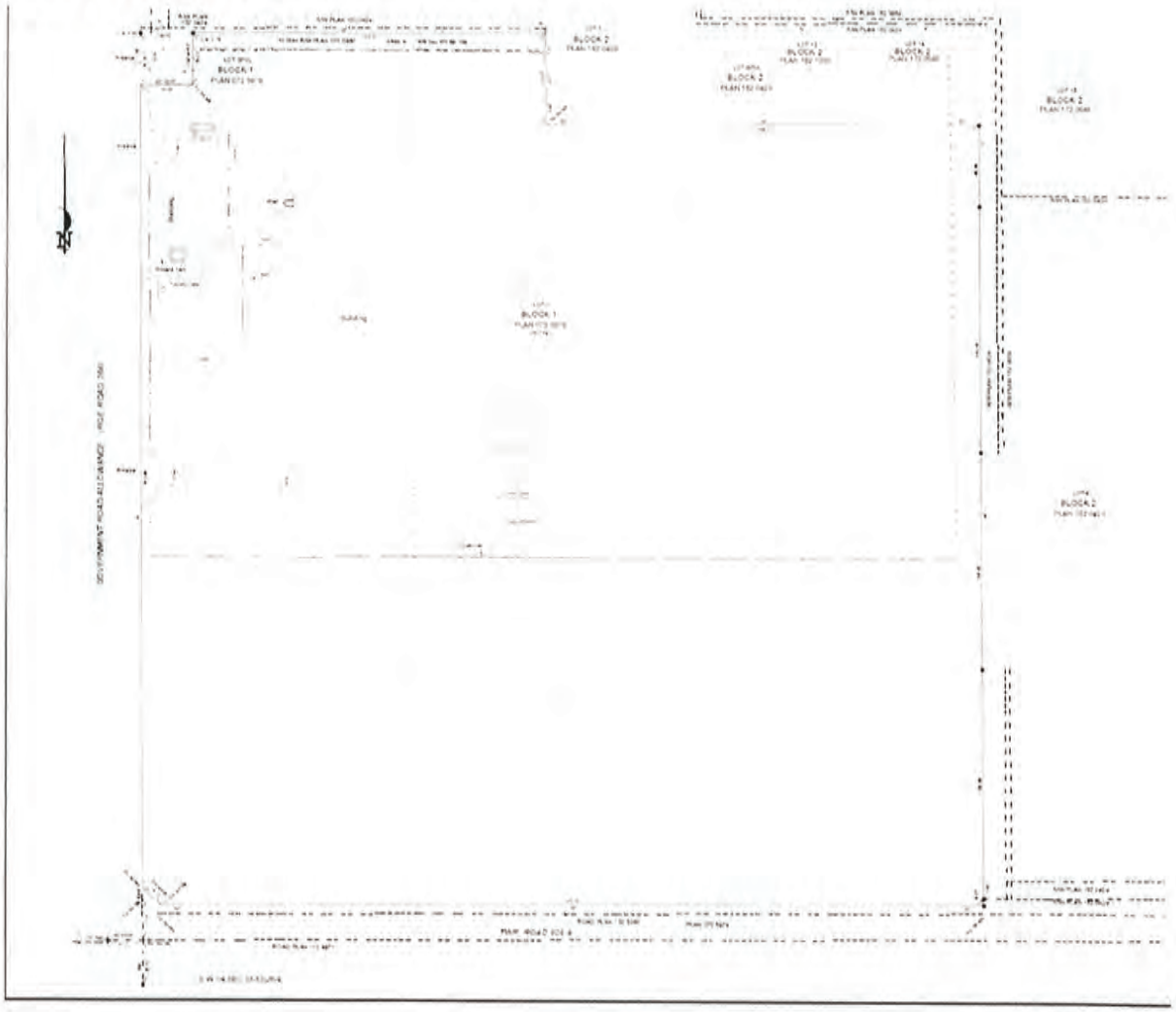
PLAN 0725979
BLOCK 1
LOT 1
CONTAINING 23 HECTARES (56.83 ACRES) MORE OR LESS
EXCEPTING THEREOUT:

	HECTARES	(ACRES) MORE OR LESS
A) PLAN 132366 ROAD	0.243	0.60

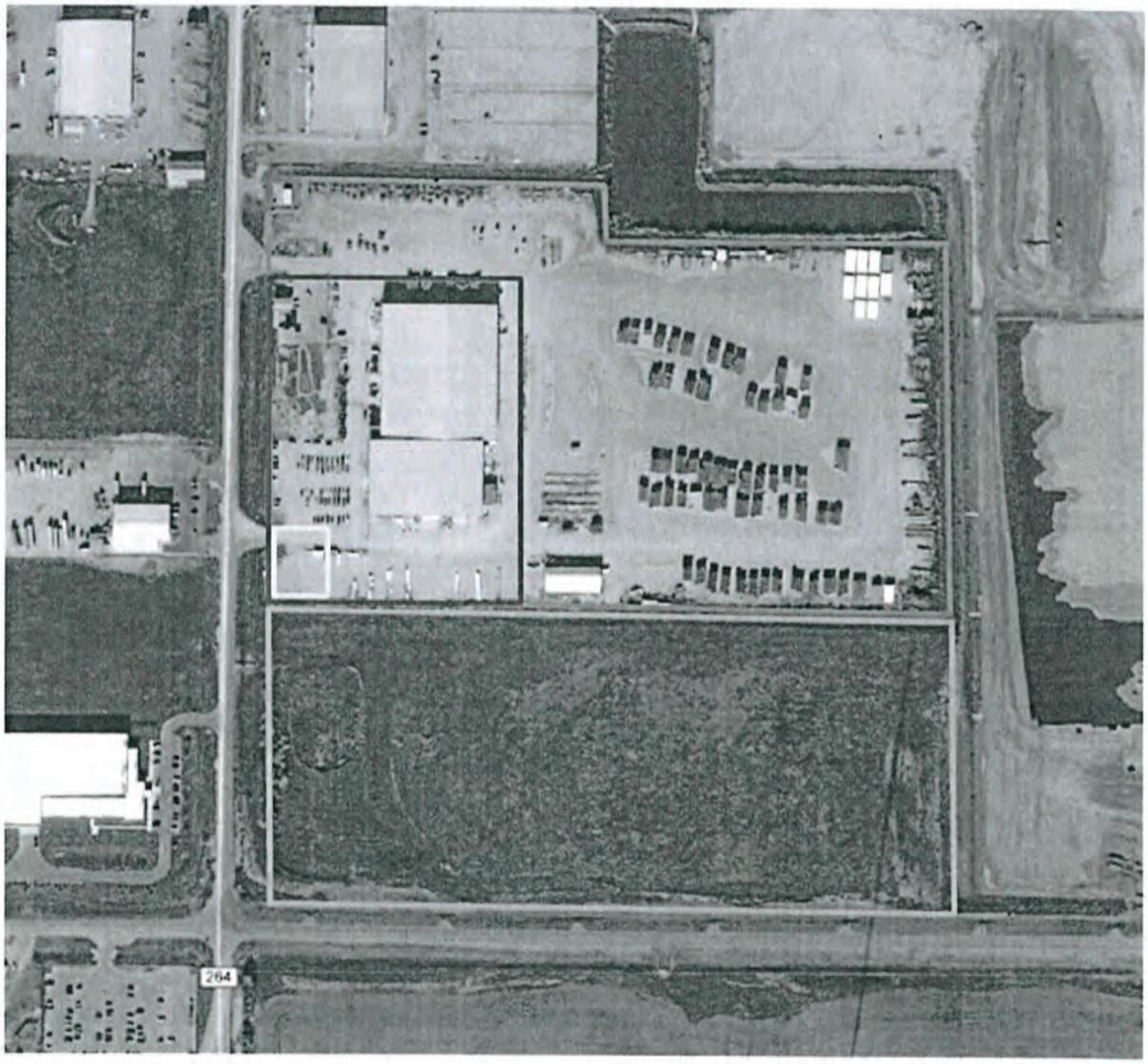
EXCEPTING THEREOUT ALL MINES AND MINERALS

SCHEDULE B

PART 1 – LANDS (PURPLE)



PART 2 – TENANT AREAS (RED), EXPANSION LAND (GREEN), SIDE LAND (BLUE), ACCESS ROUTE (YELLOW)



SCHEDULE C
LANDLORD'S WORK

The Tenant Areas shall be provided to the Tenant on an "as is" basis; however, the Landlord shall, on or before the commencement of the Fixturing Period:

C.1 ensure that any existing mechanical, heating, ventilation, air conditioning and electrical equipment and overhead and man doors will be in good working condition, normal wear and tear excepted;

C.2 repair all vapour barrier tears and punctures and all dents in the metal liner that materially impair the function of the metal liner; and

C.3 decommission the cranes located on the Tenant Areas.

SCHEDULE D
TENANT'S WORK

D.1 The Tenant shall, not less than thirty (30) days prior to the commencement of any improvements to the Tenant Areas, submit to the Landlord the Tenant's plans and specifications for the Landlord's approval, such approval not to be unreasonably withheld. The Tenant shall not commence any Tenant's Work or subsequent improvements to the Tenant Areas until the Tenant has first obtained the written approval of the Landlord with respect to the foregoing plans and specifications. The Tenant must, in its plans and specifications address the steps to be taken by the Tenant to minimize any damage or other adverse impact to the Tenant Areas as a result of the Permitted Use including the use of ventilation, dehumidification and security equipment.

D.2 The Tenant shall only utilize qualified and licensed contractors or subcontractors approved by the Landlord in writing prior to commencing the Tenant's Work and any subsequent improvements to the Tenant Areas. The Tenant shall be responsible for securing all necessary building permits and approvals required to complete the foregoing work and for providing copies of the same to the Landlord prior to the commencement of the Tenant's Work and any subsequent improvements to the Tenant Areas. In addition, the Tenant shall be responsible for applying for and obtaining a certificate of occupancy, as required, for any improvements or modifications made to the Tenant Areas pursuant to this Lease.

D.3 Notwithstanding the foregoing, the Tenant shall utilize the same general contractor, electrical, plumbing, mechanical and health and safety engineers as utilized by the Landlord for the completion of the Landlord's Work or such contractor(s) as approved by the Landlord prior to the commencement of the Tenant's Work to complete the Tenant's Work.

SCHEDULE E
SUPPLEMENTAL TERMS AND CONDITIONS

The terms and conditions set forth in this Schedule E supplement and amend the terms and conditions contained in the balance of the Lease and in the event a conflict exists between a provision contained in this Schedule E and a provision contained in the balance of the Lease, the provision contained in this Schedule E governs.

E.1 Option to Renew

If the Landlord is not entitled to re-enter the Tenant Areas pursuant to Section 33 of this Lease at the time of exercising this option to renew and has not become entitled to re-enter the Tenant Areas pursuant to Section 33 of this Lease more than three (3) times during the Term, the Tenant shall have the option to renew the Term for a period of five (5) years (the "Renewal Term") by giving to the Landlord not more than twelve (12) months nor less than six (6) months written notice thereof prior to the end of the Term, on the same terms and conditions as contained in the Lease save and except:

E.1.1 this option to renew, there being no further option;

E.1.2 there shall be no Landlord's Work, Tenant's Work, Tenant Improvement Allowance, Rent Free Period, Right of First Refusal to Lease, Right of First Refusal to Purchase, Expansion Option, Option to Purchase or any other inducement or amount payable by the Landlord to the Tenant;

E.1.3 the Tenant accepts the Tenant Areas on an "as is" basis at the commencement of such Renewal Term;

E.1.4 the Basic Rent Rate payable during such Renewal Term shall be adjusted by the same percentage as the percentage changes in the "Consumer Price Index, Alberta (All-Items)" between the first day of the Eleventh (11th) Year of the Term and the commencement date of the Renewal Term.

E.2 Right to Subdivide

In addition to any other rights to sub-divide and dispose of portions of the Lands the Tenant acknowledges that the Landlord may sub-divide the Lands resulting in the creation of separate titles to various portions of the Lands including a separate title to the side land, being those lands identified in blue on Part 2 of Schedule (the "Side Lands"). If a separate title is created to the Side Lands unless a lease exists between the Landlord and the Tenant with respect to the Side Lands which lease has arisen from the exercise by the Tenant of its right of first refusal to lease referred to in Section E.3 below, the Lease and all rights of the Tenant pursuant to the same shall cease to apply to the Side Land and the Side Land shall cease to be a part of the Lands.

E.3 Right of First Refusal to Lease

The Tenant shall have a right of first refusal to lease each of the expansion land, being those land identified in green on Part 2 of Schedule B (the "Expansion Land") and the Side Land upon those terms and conditions the Landlord is prepared to accept from a bona fide third party (the "Acceptable Terms"). Should the Tenant not exercise its right to match the Acceptable Terms within ten (10) days of receipt

from the Landlord of the Acceptable Terms, the Landlord may, within the following six (6) month period, complete a lease for such space in accordance with terms not more favorable to a tenant than the Acceptable Terms and thereafter the Tenant shall have no further right of first refusal with respect to such space pursuant to this Section E.3. If the Landlord does not during the foregoing six (6) month period complete a lease in respect of such space in accordance with terms not more favorable to a Tenant than the Acceptable Terms, the Tenant once again has the right of first refusal described in this Section E.3.

E.4 Right of First Refusal to Purchase

The Tenant shall have a right of first refusal to purchase the Lands upon those terms and conditions the Landlord is prepared to accept from a bona fide third party (the "Acceptable Terms"). Should the Tenant not exercise its right to match the Acceptable Terms within ten (10) days of receipt from the Landlord of the Acceptable Terms, the Landlord may, within the following six (6) month period, complete a sale of such Lands in accordance with terms not more favorable to a purchaser than the Acceptable Terms and thereafter the Tenant shall have no further right of first refusal to purchase pursuant to this Section E.4. If the Landlord does not during the foregoing six (6) month period complete a sale of the Lands in accordance with terms not more favorable to a purchaser than the Acceptable Terms the Tenant once again has the right of first refusal described in this Section E.4.

E.5 Expansion Option

Provided that the Expansion Land has not been leased or sold to a third party in accordance with Section E.3 or Section E.4 above, the Tenant may, on twelve (12) months written notice to the Landlord, elect to expand the Tenant Areas to include the Expansion Land on the condition that the Tenant construct a building (an "Additional Building") on the Expansion Land which Additional Building shall be no less than One Hundred Thousand (100,000) square feet and which Additional Building shall be constructed in accordance with plans and specifications approved by the Landlord. Notwithstanding the foregoing, the Landlord may, in its sole discretion, elect to construct the Additional Building by providing notice of the same to the Tenant no later than twenty (20) days following the Landlord's approval of any aforementioned plans and specifications, failing which the Tenant shall construct the Additional Building. Any such construction by the Tenant shall be undertaken in accordance with such standards and procedures as established by the Landlord.

If the Tenant elects to expand the Tenant Areas to include the Expansion Land and the construction of the Additional Building the Basic Rent payable pursuant to this Lease shall be increased as provided in such of Section E.5.1 or Section E.5.2 as is applicable.

E.5.1 If the Tenant constructs the Additional Building, the Basic Rent for the twelve (12) month period commencing on the earlier of the date that the Tenant takes possession of the Expansion Land for the purpose of commencing construction of the Additional Building and the date that is six months following receipt of the Tenant's expansion notice to the Landlord shall be increased by the fair market land rental value of the Expansion Land for such twelve (12) month period (that amount as further adjusted pursuant to the remainder of this Section E.5.1 being the "Previous Adjustment"). The Basic Rent shall be further adjusted for each subsequent twelve (12) month period by increasing the Previous Adjustment by any percentage increase in the "Consumer Price Index, Alberta (All-Items)" during the twelve (12) month period to which the Previous Adjustment applied. In the event the Landlord and Tenant are unable to agree upon the fair market land rental value of the Expansion Land for the initial

rental value be determined by arbitration conducted by one (1) arbitrator pursuant to the *Arbitration Act* (Alberta);

E.5.2 If the Landlord constructs the Additional Building:

E.5.2.1 the Basic Rent for the first twelve (12) months following the Possession Date (as hereinafter defined) shall be increased by 9.89% of the Landlord's Gross Project Costs (that amount as further adjusted pursuant to the remainder of this Section E.5.2 being the "Preceding Adjustment"); and

E.5.2.2 for each successive twelve (12) month period thereafter, the Basic Rent shall be adjusted by increasing the Preceding Adjustment for the immediately preceding twelve (12) month period by the greater of:

E.5.2.2.1 any percentage increase in the "Consumer Price Index, Alberta (All-Items)" during the twelve (12) month period to which the Preceding Adjustment applied; and

E.5.2.2.2 two and one half (2.5%) percent,

the Possession Date being the date the Landlord delivers possession of the Additional Building to the Tenant.

If the Tenant exercises the expansion right contained in this Section E.5.2, the Tenant shall grant to the Landlord an irrevocable non-exclusive easement to access and egress between the Side Land and the public roadway adjacent to the Lands through the access route, being that route identified in yellow on Part 2 of Schedule B (the "Access Route") and shall ensure that such Access Route is kept clean and free from snow and debris.

For the purposes of this Section E.5 the Term "Gross Project Costs" means all hard and soft costs incurred by the Landlord related to the construction of the Additional Building and the development of the Expansion Land, which shall include, but not be limited to, the following:

E.5.3 the fair market value of the Expansion Land, which shall not be less than $350,000 per acre;

E.5.4 all costs of preparing the plans and specifications, tendering the Additional Building and development of the Expansion Land to approved general contractors, payment to the general contractor for costs incurred during the course of the construction and development, costs incurred to pay consultants for course of construction and development inspections and certification of draw requests, the costs of financing the development, any decisions with respect to financing to be in the Landlord's sole discretion and all legal fees related to the construction and development;

E.5.5 leasing fees payable respecting the Additional Building and the Expansion Land; and

E.5.6 interest on any financing related to the construction or development and any carrying costs incurred by the Landlord.