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Merger

MAY 02 2018  
ALBRITTON

CORPORATION SERVICE COMPANY  
1201 Hays Street  
Tallahassee, FL 32301  
Phone: 850-558-1500

ACCOUNT NO. : I20000000195

REFERENCE : 187728 4358237

AUTHORIZATION :

COST LIMIT : \$ 70.00

ORDER DATE : April 30, 2018

ORDER TIME : 9:01 AM

ORDER NO. : 187728-005

CUSTOMER NO: 4358237

ARTICLES OF MERGER

KURE ACQUISITION CORP.

INTO

KURE CORP.

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

\_\_\_\_\_ CERTIFIED COPY  
XX \_\_\_\_\_ PLAIN STAMPED COPY

CONTACT PERSON: Emily Croft

EXAMINER'S INITIALS:

10

**ARTICLES OF MERGER  
OF  
KURE ACQUISITION CORP.,  
a Florida corporation**

**WITH AND INTO**

**KURE CORP.,  
a Florida corporation**

FILED  
2019 MAY -1 AM 9:00  
CLERK OF THE COURT  
JANUARY 1, 2019

The following articles of merger are submitted in accordance with Section 607.1105 of the Florida Business Corporations Act of the Florida Statutes:

First: The name and jurisdiction of the surviving corporation (the "Surviving Corporation"):

Name	Jurisdiction	Document Number
Kure Corp.	Florida	P14000032820

Second: The name and jurisdiction of the merging corporation (the "Merging Corporation"):

Name	Jurisdiction	Document Number
Kure Acquisition Corp.	Florida	P18000036643

Third: The merger of the Merging Corporation into the Surviving Corporation (the "Merger") shall be effected pursuant to the terms of the Agreement and Plan of Merger set forth as Exhibit A hereto (the "Plan of Merger") and upon the Merger the separate existence of the Merging Corporation shall cease.

Fourth: The Merger shall become effective on the date these Articles of Merger are filed with the Florida Department of State.

Fifth: The Plan of Merger was adopted by the shareholders of the Surviving Corporation on April 27, 2018.

Sixth: The Plan of Merger was adopted by the shareholders of the Merging Corporation on April 27, 2018.

*[Signature page follows.]*

Dated April 30, 2018

**SURVIVING CORPORATION:**

Kure Corp.

By: C B  
Craig Brewer, CEO

**MERGING CORPORATION:**

Kure Acquisition Corp.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated April 30, 2018

**SURVIVING CORPORATION:**

Kure Corp.

By: \_\_\_\_\_  
Craig Brewer, CEO

**MERGING CORPORATION:**

Kure Acquisition Corp.

By: \_\_\_\_\_  
Name: Aman Patra  
Title: Director

**EXHIBIT A**

**PLAN OF MERGER**  
(See attached)

**MERGER AGREEMENT**

between

**Isodiol International, Inc., a British Columbia corporation**

and

**Kure Acquisition Corp., a Florida Corporation**

and

**Kure Corp., a Florida corporation**

Dated as of April 30, 2018

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## MERGER AGREEMENT

**THIS MERGER AGREEMENT** entered into on as of April 30, 2018 and among Isodiol International, Inc., a British Columbia corporation ("*Buyer*"), Kure Acquisition Corp., a Florida corporation and a wholly owned Subsidiary of the Buyer (the "*Transitory Subsidiary*"), and Kure Corp., a Florida corporation (the "*Target*"). The Buyer, the Transitory Subsidiary and the Target are referred to collectively herein as the "*Parties*."

This Agreement contemplates a transaction in which the Buyer will acquire all of the issued and outstanding capital stock of the Target and the purchase price shall be satisfied by the issuance of shares of Buyer's common stock through a reverse subsidiary merger of the Transitory Subsidiary with and into the Target.

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows.

### **Section 1. Definitions.**

"*Acceleration Event*" means any of the following: (a) Craig Brewer's "Resignation for Good Reason" or his "Termination Without Cause" (as those terms are defined in the Employment Agreement), (b) a breach of Section 5(b), or a breach of Section 5(e)(i); provided, however, in the event of a breach of 5(e)(i), only the First Earn-Out Payment shall be so accelerated.

"*Annual Financial Statements*" has the meaning set forth in Section 3(f) below.

"*Articles of Merger*" has the meaning set forth in Section 2(c) below.

"*Buyer Documents*" has the meaning set forth in Section 4(g) below.

"*Buyer Share*" means any share of the common stock, \$.001 value per share, of the Buyer.

"*Closing*" has the meaning set forth in Section 2(b) below.

"*Closing Date*" has the meaning set forth in Section 2(b) below.

"*CSE*" has the meaning set forth in Section 4(g) below.

"*Disclosure Schedule*" has the meaning set forth in Section 3 below.

"*Dissenting Share*" means any Target Share which any Target Holder of Record who or which has exercised his or its appraisal rights under the Florida Business Corporations Act.



*"Earn-Out Merger Consideration"* means First Earn-Out Payment and the Second Earn-Out Payment.

*"Effective Time"* has the meaning set forth in Section 2(d)(i) below.

*"Employment Agreement"* means the Employment Agreement dated even date herewith by and between Craig Brewer and Target.

*"Financial Statements"* has the meaning set forth in Section 3(f) below.

*"First Earn-Out Payment"* means the aggregate number of Buyer Shares that Buyer shall issue to the Target Holders of Record, on a pro rata basis, having a value equal to (i) USD\$25,000,000, multiplied by (ii) the First Earn-Out Payment Rate (as defined below); provided, however, in no event shall the First Earn-Out Payment Rate be greater than 1. For purposes hereof, the *"First Earn-Out Payment Rate"* shall be the fraction, expressed as a percentage, resulting from the following calculation: (1) the gross sales in US Dollars of Surviving Corporation for the calendar year ending on December 31, 2018, divided by (2) USD\$10,000,000. The First Earn-Out Payment shall be earned on January 1, 2019, paid to the Target Holders of Record on January 31, 2019, and such Buyer Shares shall have a value based on Buyer's volume weighted average price for the 10 trading days prior to January 31, 2019.

*"Florida Business Corporations Act"* means the Florida Business Corporations Act, Chapter 607, as amended.

*"GAAP"* means United States generally accepted accounting principles as in effect from time to time.

*"Initial Merger Consideration"* has the meaning set forth in Section 2(d)(v) below.

*"Knowledge"* means actual knowledge.

*"Leak Out Schedule"* means the share issuance schedule for the Initial Merger Consideration, First Earn-Out Payment and Second Earn-Out Payment set forth on Exhibit A attached hereto.

*"Merger"* has the meaning set forth in Section 2(a) below.

*"Merger Consideration"* has the meaning set forth in Section 2(d)(v) below.

*"Most Recent Financial Statements"* has the meaning set forth in Section 3(f) below.

*"Ordinary Course of Business"* means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

*"Party"* has the meaning set forth in the ~~preface~~ **above**.

*"Paying Agent"* has the meaning set forth in Section 2(e) below.

"Person" is to be broadly interpreted and includes an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity (or any department, agency or political subdivision thereof), or any incorporated or unincorporated entity or association of any nature and the executors, administrators, or other representatives of an individual in such capacity.

"*Requisite Stockholder Approval*" means the written consent of the holders of a majority of the Target Shares (pursuant to Section 607.0704 of the Florida Business Corporations Act) in favor of this Agreement and the Merger.

"*Second Earn-Out Payment*" means the aggregate number of Buyer Shares that Buyer shall issue to the Target Holders of Record, on a pro rata basis, having a value equal to (i) USD\$10,000,000, multiplied by (ii) the Second Earn-Out Payment Rate (as defined below) provided, however, in no event shall the Second Earn-Out Payment Rate be greater than 1. For purposes hereof, the "*Second Earn-Out Payment Rate*" shall be the fraction, expressed as a percentage, resulting from the following calculation: (1) the gross sales in US Dollars of Surviving Corporation for the calendar year ending on December 31, 2019, divided by (2) USD\$20,000,000. The Second Earn-Out Payment shall be earned on January 1, 2020, paid to the Target Holders of Record on January 31, 2020, and such Buyer Shares shall have a value based on Buyer's volume weighted average price for the 10 trading days prior to January 31, 2020.

"*Securities Act*" means the Securities Act of 1933, as amended.

"*Securities Authorities*" has the meaning set forth in Section 4(g) below.

"*Securities Exchange Act*" means the Securities Exchange Act of 1934, as amended.

"*Security Interest*" means any mortgage, pledge, lien, encumbrance, charge or other security interest, other than (a) mechanic's, materialman's and similar liens, (b) liens for taxes not yet due and payable or for taxes that the taxpayer is contesting in good faith through appropriate proceedings, (c) purchase money liens and liens securing rental payments under capital lease arrangements and (d) other liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money.

"*Subsidiary*" means any corporation, limited liability company or other entity with respect to which a specified Person (or a Subsidiary thereof) owns a majority of the common stock or has the power to vote or direct the voting of sufficient securities to elect a majority of the directors.

"*Surviving Corporation*" has the meaning set forth in Section 2(a) below.

"*Target*" has the meaning set forth in the preface above.

"*Target Holders of Record*" means the Target Stockholders at 5:00 pm (EST) on the day immediately preceding the Closing Date.

"*Target Share*" means any share of the common stock, \$.001 value per share, of the Target.

"*Target Stockholder*" means any Person who or which holds any Target Shares.

"*Transitory Subsidiary*" has the meaning set forth in the preface above.

## **Section 2. Basic Transaction.**

(a) ***The Merger.*** On and subject to the terms and conditions of this Agreement, the Transitory Subsidiary will merge with and into the Target (the "*Merger*") at the Effective Time. The Target shall be the corporation surviving the Merger (the "*Surviving Corporation*").

(b) ***The Closing.*** The closing of the transactions contemplated by this Agreement (the "*Closing*") shall take place at such time and place agreed to by the Parties (the "*Closing Date*").

(c) ***Actions at the Closing.*** At the Closing, (i) the Target will deliver to the Buyer and the Transitory Subsidiary the various certificates, instruments and documents agreed to by the Parties, (ii) the Buyer and the Transitory Subsidiary will deliver to the Target the various certificates, instruments and documents agreed to by the Parties, (iii) the Target and the Transitory Subsidiary will file with the Secretary of State of the State of Florida a Articles of Merger in the form attached hereto as Exhibit B (the "*Articles of Merger*"), (iv) the Surviving Corporation shall enter into an Employment Agreement with Craig Brewer in form and substance as set forth in Exhibit C, and (v) the Buyer will cause the Surviving Corporation to deliver the Paying Agent in the manner provided below in this Section 2.

(d) ***Effect of Merger.***

(i) ***General.*** The Merger shall become effective at the time (the "*Effective Time*") the Target and the Transitory Subsidiary file the Articles of Merger with the Secretary of State of the State of Florida. The Merger shall have the effect set forth in the Florida Business Corporations Act. The Surviving Corporation may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name and on behalf of either the Target or the Transitory Subsidiary in order to carry out and effectuate the transactions contemplated by this Agreement.

(ii) ***Articles of Incorporation.*** The Articles of Incorporation of the Surviving Corporation shall be amended and restated at and as of the Effective Time to read as did the Articles of Incorporation of the Surviving Corporation immediately prior to the Effective Time.

(iii) *Bylaws.* The Bylaws of the Surviving Corporation shall be amended and restated at and as of the Effective Time to read as did the Bylaws of the Surviving Corporation immediately prior to the Effective Time.

(iv) *Directors and Officers.* The officers of the Target shall become the officers of the Surviving Corporation and the directors of the Transitory Subsidiary shall become the directors of the Surviving Corporation, in each case, at and as of the Effective Time (retaining their respective positions and terms of office).

(v) *Conversion of Target Shares.* At and as of the Effective Time, each (A) Target Share (other than any Dissenting Share) shall be converted into the right to receive 23,809,523 Buyer Shares ("*Initial Merger Consideration*"), and the right to the Earn-Out Merger Consideration (Initial Merger Consideration and Earn-Out Merger Consideration, collectively, the "*Merger Consideration*"), and (B) each Dissenting Share shall be converted into the right to receive payment from the Surviving Corporation with respect thereto in accordance with the provisions of the Florida Business Corporations Act. The Merger Consideration shall be subject to equitable adjustment in the event of any stock split, stock dividend, reverse stock split or other change in the number of Target Shares outstanding. No Target Share shall be deemed to be outstanding or to have any rights other than those set forth above in this Section 2(d) after the Effective Time.

(vi) *Leak Out Schedule.* The total number of Buyer Shares in each of the three tranches of the Merger Consideration (Initial Merger Consideration, First Earn-Out Payment and the Second Earn-Out Payment), shall be paid to the Target Holders of Record based on the percentages (on a pro rata basis among Target Stockholders) of each such date set forth in the Leak Out Schedule. For example, if a Target Stockholder receives 100,000 Buyer Shares in Initial Merger Consideration, assuming such shareholder complies with the provisions of Section 2(e), on May 1, 2018 such Target Stockholder would receive 10,000 Buyer Shares, on September 1, 2018 another 50,000 Buyer Shares, on February 1, 2019 another 7,500 shares, and so on.

(vii) *Acceleration Event.* Upon an Acceleration Event, each of the First Earn-Out Payment and Second Earn-Out Payment shall be immediately due and payable by Buyer to the Target Holders of Record; provided, that for purposes of determining the amount of such payments at such time, First Earn-Out Payment Rate and the Second Earn-Out Payment Rate shall each be equal to 1.

(viii) *Conversion of Capital Stock of the Transitory Subsidiary.* At and as of the Effective Time, each share of common stock of the Transitory Subsidiary shall be converted into one tenth of one-one hundredth share **(.01)** share of common stock of the Surviving Corporation.

(ix) *Warrant Rollover.* Buyer agrees to issue rollover warrants to the holders of Target warrants and options as set forth in Part 3(b) of the Disclosure Schedules with identical expiration dates and identical number of shares of common stock exercisable in exchange for such warrant (except exercisable for Buyer Shares and not the Target), but all such rollover warrants shall have an exercise price per share of Buyer Shares equal to One US Dollar (US\$1.00).

(e) *Procedure for Payment.*

(i) *Paying Agent.* The Buyer will cause the Surviving Corporation to furnish to Computershare, Buyer's transfer agent (the "*Paying Agent*") the Merger Consideration consisting of Buyer Shares sufficient in the aggregate for the Paying Agent to make full payment of the Initial Merger Consideration and, subsequently, the Earn-Out Merger Consideration to the Target Holders of Record (other than with respect to any Dissenting Share). No interest will accrue or be paid to the holder of any outstanding Target Shares. The Surviving Corporation shall to pay all charges and expenses of the Paying Agent.

(ii) *Share Exchange Procedures.*

(1) As soon as reasonably practicable (but in any event within 10 days of the Closing as required by the Florida Business Corporations Act), the Buyer will cause the Paying Agent to mail a letter of transmittal (with instructions for its use) in the form attached hereto as Exhibit D to each Target Holder of Record, including for each such holder to mail a copy of the accredited investor questionnaire attached thereto to Buyer, against payment of the Initial Merger Consideration, the right to receive the Earn-Out Merger Consideration. No interest shall accrue on any portion of the Merger Consideration that is payable to the Target Holders of Record.

(2) Upon receipt by Buyer of the accredited investor questionnaire, Target Holders of Record will be entitled to receive, promptly after the Effective Time, the allocable portion of the Initial Merger Consideration, without interest, in respect of the Target Shares, and the rights to the Earn-Out Merger Consideration. Until so surrendered, each such Target Share shall represent after the Effective Time, for all purposes, only the right to receive the allocable portion of the Merger Consideration.

(3) No certificates representing fractional shares of Buyer Shares shall be issued as result of the Merger. In lieu of any such fractional shares, each holder of a Target Share who would otherwise have been entitled to receive a fractional share interest in the Buyer Shares for such Target Share shall be rounded up to the next whole share.

(f) **Closing of Transfer Records.** After the determination of the Target Holders of Record, transfers of Target Shares outstanding prior to such time shall not be made on the stock transfer books of the Surviving Corporation.

(g) **Registration of Buyer Shares.** As soon as reasonably practicable, but in no event later than twenty (20) days following the date set forth in the Leak Out Schedule, Buyer shall cause the shares comprising the Initial Merger Consideration and the Earn-Out Merger Consideration to be issued to the Target Holders of Record, without certificate legend and freely tradeable on the CSE or pink sheet Over The Counter exchange.

(h) **Certain Securities Law Matters.** The Buyer agrees to take all necessary corporate action to validly issue the Buyer Shares to be issued pursuant to the Agreement as part of the Earn-Out Merger Consideration and the shares will be duly authorized and validly issued and outstanding as fully paid and non-assessable shares in the capital of the Buyer. The Buyer agrees to take all necessary actions and seek all necessary approvals to ensure that the Buyer Shares to be issued pursuant to the Agreement as part of the Earn-Out Merger Consideration: (i) will not have be issued in violation of any pre-emptive rights or contractual rights to purchase securities, (ii) will be listed for trading on the CSE, (iii) will not be subject to any statutory hold or restricted period under the securities legislation of any province or territory of Canada, and (iv) subject to restrictions contained in Section 2.6(3) of National Instrument 45-102 – *Resale of Securities of the Canadian Securities Administrators*, will be freely tradable within Canada by the holders thereof.

**Section 3. Representations and Warranties of the Target.** The Target represents and warrants to the Buyer and the Transitory Subsidiary that the statements contained in this Section 3 are correct and complete as of the Closing Date, except as set forth in the disclosure schedule accompanying this Agreement and initialed by the Parties (the “*Disclosure Schedule*”). The Disclosure Schedule will be arranged in paragraphs corresponding to the lettered and numbered paragraphs contained in this Section 3.

(a) **Organization, Qualification and Corporate Power.** Each of the Target and its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation. Each of the Target and its Subsidiaries is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required. Each of the Target and its Subsidiaries has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it.

(b) **Capitalization.** The number of authorized capital stock and the number of issued and outstanding Target Shares are set forth in Part 3(b) of the Disclosure Schedule. All of the issued and outstanding Target Shares have been duly authorized and are validly issued, fully paid and nonassessable. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights or other contracts or commitments that could require the Target to issue, sell or otherwise cause to

become outstanding any of its capital stock. There are no outstanding or authorized stock appreciation, phantom stock, profit participation or similar rights with respect to the Target.

(c) **Authorization of Transaction.** The Target has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder; provided, however, that the Target cannot consummate the Merger unless and until it receives the Requisite Stockholder Approval. This Agreement constitutes the valid and legally binding obligation of the Target, enforceable in accordance with its terms and conditions.

(d) **Noncontravention.** Neither the execution and the delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which any of the Target and its Subsidiaries subject or any provision of the charter or bylaws of any of the Target and its Subsidiaries or (ii) 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 agreement, contract, lease, license, instrument or other arrangement to which any of the Target and its Subsidiaries are a party or by which it is bound or to which any of its assets are subject (or result in the imposition of any Security Interest upon any of its assets). Other than in connection with the provisions of the Florida Business Corporations Act, the Securities Exchange Act, the Securities Act and the state securities laws, none of the Target and its Subsidiaries need to give any notice to, make any filing with or obtain any authorization, consent or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement.

(e) **Financial Statements.** The Target has made available unaudited financial statements for the 2018 period ending March 31, 2018 (the "*Most Recent Financial Statements*") and audited financial statements for the fiscal years ended December 31, 2016 and December 31, 2017 ("*Annual Financial Statements*") (Most Recent Financial Statements and Annual Financial Statements, collectively, "*Financial Statements*"). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby, and present fairly the financial condition of the Target and its Subsidiaries as of the indicated dates and the results of operations of the Target and its Subsidiaries for the indicated periods; provided, however, that the Most Recent Financial Statements are subject to normal year-end adjustments.

(f) **Events Subsequent to Most Recent Financial Statements.** Since the Most Recent Financial Statements, there has not been any material adverse change in the business, financial condition, operations or results of operations of the Target and its Subsidiaries taken as a whole.

(g) **Undisclosed Liabilities.** None of the Target and its Subsidiaries has any liability (whether known or unknown, whether asserted or unasserted, whether absolute

or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for taxes, except for (i) liabilities set forth on the face of the balance sheet dated as of the Most Recent Financial Statements (rather than in any notes thereto) and (ii) liabilities which have arisen after the Most Recent Financial Statements in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of or was caused by any breach of contract, breach of warranty, tort, infringement or violation of law).

(h) **Brokers' Fees.** None of the Target and its Subsidiaries has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

(i) **No Options.** There are and will be at the Closing Date no outstanding share purchase warrants, broker options, options or other rights or other arrangements under which Target and its Subsidiaries is bound or obligated to issue additional shares in its capital or warrants, broker warrants, options or other rights to acquire shares in its capital, and the Target Shares are not subject to the terms of any shareholder or voting trust agreement.

(j) **Assets.** All assets necessary to conduct the Target's business are owned and at the Effective Time will be owned by Target free and clear of all encumbrances whatsoever and Target is not aware of any adverse claim or claims which may affect its ownership of the assets.

(k) **No Breach.** Neither the execution and delivery of this Agreement, nor the completion of the transactions contemplated hereby will conflict with or result in any breach of any of the terms and provisions of, or constitute a default under, the constituent documents, director or shareholder minutes of Target, or any agreement or instrument or statute or laws to which Target is a party or by which the assets are bound or any order, decree, statute, regulation, covenant or restriction applicable to Target.

(l) **No Actions.** To the knowledge of Target, there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of Target) pending or threatened by or against Target or affecting assets at law or in equity, or before or by any federal, provincial, state, municipal or other governmental court, department, commission, board, bureau, agency or instrumentality, domestic or foreign and Target has no knowledge of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.



(m) **Employment Matters.**

(i) Target has no contract, commitment or arrangement, whether written, oral or implied with any Person whatsoever relating to employment which contains any specific agreement as to notice of termination or severance pay in lieu thereof or which cannot be terminated without cause upon giving reasonable notice as may be implied by law without the payment of, or any liability in respect of, any bonus, damages, share of profits or penalty, and there are no policies or practices of Target which confer benefits in the employees of Target or result in obligations of Target with respect to its employees.

(ii) there are no employees of Target that Target considers it has the right to terminate for cause, and no employee has made any claim or has any basis for any action or proceeding against Target arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or workers' compensation.

(n) **Material Contracts.** True and complete copies of all material contracts of Target and all amendments and extensions thereof have been made available to Buyer. Target is not in default or breach of its obligations under its material contracts and to the knowledge of Target, there exists no state of facts which, after notice or lapse of time or both, would constitute such a default or breach, and all such contracts are now in good standing and in full force and effect without amendment thereto and Target is entitled to all benefits thereunder. Further, there are no outstanding material disputes under any such contracts and no consents, releases, waivers or approvals are necessary under such contracts with regard to the transactions described in this Agreement.

(o) **Books and Records.** Target has kept and to Target's knowledge, has been provided with proper and consistent accounts, books and records of their activities, and such accounts, books and records are up to date and there has been no material change in any practice or policy insofar as such change might affect the valuation of assets or the recording of expenditures or receipts relating to Target and its business and assets.

(p) **Indebtedness.** At the Effective Time (except as disclosed in the Target Financial Statements):

(i) Target is not indebted to the Target Stockholders or any one of them, whether by way of shareholder loan, unpaid, accrued or deferred compensation or otherwise.

(ii) none of the Target Stockholders or any other officer, director or employee of Target is indebted or under material obligation to Target on any account whatsoever.

(iii) Target has not guaranteed or agreed to guarantee any debt, liability or other obligation of any kind whatsoever of any Person, firm or corporation of any kind whatsoever.

(q) **No Distributions.** Since the Most Recent Financial Statements, Target has not:

(i) declared, made or committed itself to make any payment of any dividends or any other distribution in respect of its shares or subdivided, consolidated or reclassified, or redeemed, purchased or otherwise acquired or agreed to acquire any of its shares;

(ii) issued or sold any shares in its capital or any warrants, bonds, debentures or its other corporate securities or issued, granted or delivered any right, option or other commitment for the issuance of any such securities;

(iii) mortgaged, pledged, subjected to lien, granted a security interest in or otherwise encumbered any of its Assets, whether tangible or intangible;

(iv) made any gift of money or of any of its assets to any Person (other than in de minimis amounts);

(v) made any licence, sale, assignment, transfer, or disposition of its material assets other than in Ordinary Course of Business; or

(vi) authorized, agreed or otherwise become committed to do any of the foregoing;

(r) **Conduct of Business.** Target is conducting and has since incorporation conducted its business in compliance with all applicable laws of each jurisdiction in which it carries on business.

(s) **No material adverse effect.** Target has no information or knowledge of any fact relating to its business, its assets or any indebtedness of Target or the transactions contemplated hereby which would reasonably be expected to affect, materially and adversely, any of its assets or the or financial condition of Target, taken as a whole.

**Section 4. Representations and Warranties of the Buyer and the Transitory Subsidiary.** Each of the Buyer and the Transitory Subsidiary represents and warrants to the Target that the statements contained in this Section 4 are correct and complete as of the Closing Date, except as set forth in the Disclosure Schedule. The Disclosure Schedule will be arranged in paragraphs corresponding to the numbered and lettered paragraphs contained in this Section 4.

(a) **Capitalization.** The number of authorized capital stock and the number of issued and outstanding Buyer Shares are set forth in Part 4(b) of the Disclosure Schedule.

All of the issued and outstanding Buyer Shares have been duly authorized and are validly issued, fully paid and nonassessable.

(b) **Organization.** Each of the Buyer and the Transitory Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation.

(c) **Authorization of Transaction.** Each of the Buyer and the Transitory Subsidiary has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of each of the Buyer and the Transitory Subsidiary, enforceable in accordance with its terms and conditions.

(d) **Noncontravention.** Neither the execution and the delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which either the Buyer or the Transitory Subsidiary is subject or any provision of the charter or bylaws of either the Buyer or the Transitory Subsidiary or (ii) 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 agreement, contract, lease, license, instrument or other arrangement to which either the Buyer or the Transitory Subsidiary is a party or by which it is bound or to which any of its assets are subject. Other than in connection with the provisions of the Florida Business Corporations Act, the Securities Exchange Act, the Securities Act and the state securities laws, neither the Buyer nor the Transitory Subsidiary needs to give any notice to, make any filing with or obtain any authorization, consent or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement.

(e) **Brokers' Fees.** Neither the Buyer nor the Transitory Subsidiary has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which any of the Target and its Subsidiaries could become liable or obligated.

(f) **Issuance of Stock.** All necessary corporate action has been taken by the Buyer to validly issue the Buyer Shares issued pursuant to the Agreement as part of the Initial Merger Consideration and the shares will be duly authorized and validly issued and outstanding as fully paid and non-assessable shares in the capital of the Buyer.

(g) **Reports.** Since January 1, 2017, the Buyer has filed with all applicable securities regulatory authorities in the provinces and territories of Canada where the Buyer is a reporting issuer, collectively, including, the British Columbia Securities Commission (the "*Securities Authorities*"), the Canadian Securities Exchange ("*CSE*") and all other applicable governmental entities, a true and complete copy of all Buyer Documents, material forms, reports, schedules, statements, certifications, material change

reports and other documents required to be filed by it (such forms, reports, schedules, statements, certifications and other documents, including any financial statements or other documents, including any schedules included therein, are referred to herein as the "*Buyer Documents*"). The Buyer Documents, at the time filed or, if amended, as of the date of such amendment (i) did not contain any misrepresentation (as defined by the Securities Act (British Columbia)) and did not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and (ii) complied in all material respects with the requirements of securities laws except where such non-compliance has not had or would not reasonably be expected to constitute a material adverse effect on the Buyer. The Buyer has not filed any confidential material change or other report or other document with any Securities Authority or the CSE or other governmental entity that, at the date hereof remains confidential.

(h) ***Reporting Status and Securities Laws Matters.*** The Buyer is a "reporting issuer" and not on the list of reporting issuers in default under applicable securities laws in Canada. No delisting, suspension of trading in or cease trading order with respect to any securities of Buyer and, to the knowledge of the Buyer, no inquiry or investigation (formal or informal) of any Securities Authorities or the CSE is in effect or ongoing or, to the knowledge of the Buyer, expected to be implemented or undertaken with respect to the foregoing.

(i) ***Absence of Cease Trade Orders.*** No order ceasing or suspending trading in Buyer Shares (or any of them) or any other securities of the Buyer is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of the Buyer, are pending, contemplated or threatened.

(j) ***Compliance with Laws.*** The Buyer has complied with and is not in violation of any applicable law other than such non-compliance or violations that would not, individually or in the aggregate, constitute a material adverse effect on the Buyer.

(k) ***Certain Securities Law Matters.*** The Buyer Shares issued pursuant to the Agreement as part of the Initial Merger Consideration: (i) have not have been issued in violation of any pre-emptive rights or contractual rights to purchase securities, (ii) are listed for trading on the CSE, (iii) are not be subject to any statutory hold or restricted period under the securities legislation of any province or territory of Canada, and (iv) subject to restrictions contained in Section 2.6(3) of National Instrument 45-102 – Resale of Securities of the Canadian Securities Administrators, are freely tradable within Canada by the holders thereof.

(l) ***Stock Exchange Compliance.*** The Buyer Shares are listed and posted for trading on the CSE and the Buyer is in compliance in all material respects with the applicable listing and corporate governance rules and regulations of the CSE.

**Section 5. Covenants.** The Parties agree as follows with respect to the period from and after the execution of this Agreement.

(a) **General.** Each of the Parties will use its commercially reasonable efforts to take all action and to do all things necessary, proper or advisable in order to consummate and make effective the transactions contemplated by this Agreement.

(b) **Operations of Target.** Until March 1, 2020, Buyer agrees (i) that the principal place of business of the Surviving Corporation and the primary office of the Chief Executive Officer of Surviving Corporation shall be in Charlotte, North Carolina, (ii) that if Buyer or the Surviving Corporation acquires, merges with or otherwise purchases the ownership of any operating vape or vape related businesses, such businesses and assets shall be held in or owned by the Surviving Corporation, and (iii) not to sell, transfer or otherwise distribute any of the material income producing assets of the Surviving Corporation, except in the Ordinary Course of Business.

(c) **Notices and Consents.** The Target will give any notices (and will cause each of its Subsidiaries to give any notices) to third parties, and will use its commercially reasonable efforts to obtain (and will cause each of its Subsidiaries to use its commercially reasonable efforts to obtain) any third-party consents, that the Buyer reasonably may request in connection with the matters referred to in Section 3(d) above.

(d) **Regulatory Matters and Approvals.** Each of the Parties will (and the Target will cause each of its Subsidiaries to) give any notices to, make any filings with and use its commercially reasonable efforts to obtain any authorizations, consents and approvals of governments and governmental agencies in connection with the matters referred to in Sections 3(d) and 4(d) above. The Target will obtain a written consent of at least a majority in interest of the shareholders of Target approving the adoption of this Agreement and the approval of the Merger in accordance with the Florida Business Corporations Act. The Target will obtain the affirmative recommendation of the board of directors of the Target in favor of the adoption of this Agreement and the approval of the Merger; provided, however, that no director or officer of the Target shall be required to violate any fiduciary duty or other requirement imposed by law in connection therewith.

(e) **Expansion Funding.** At Closing, Buyer shall fund Target with (i) Three Million US Dollars (USD\$3,000,000) for expansion and operations by June 30, 2018, and (ii) an additional Six Million US Dollars (USD\$6,000,000) for expansion on an as needed basis thereafter.

(f) ***Insurance and Indemnification.***

(i) The Surviving Corporation will provide each individual who served as a director or officer of the Target at any time prior to the Effective Time with liability insurance for a period of 48 months after the Effective Time no less favorable in coverage and amount than any applicable insurance in effect immediately prior to the Effective Time; provided, however, that the Surviving Corporation may reduce the coverage and amount of liability insurance to the extent the cost of liability insurance having the full coverage and amount would exceed \$25,000 per annum.

(ii) The Buyer will not take any action to alter or impair any exculpatory or indemnification provisions now existing in the articles of incorporation or bylaws of the Target for the benefit of any individual who served as a director or officer of the Target at any time prior to the Effective Time.

**Section 6. Termination.** Any of the Parties may terminate this Agreement with the prior authorization of its board of directors (whether before or after stockholder approval) prior to the Effective Time.

**Section 7. Miscellaneous.**

(a) ***Survival.*** None of the representations, warranties and covenants of the Parties (other than the provisions in Section 2 above concerning payment of the Merger Consideration and the provisions in Section 5(g) above concerning insurance and indemnification) will survive the Effective Time.

(b) ***Press Releases and Public Announcements.*** No Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of the other Parties; provided, however, that any Party may make any public disclosure it believes in good faith is required by applicable law or any listing or trading agreement concerning its publicly traded securities (in which case the disclosing Party will use its reasonable best efforts to advise the other Party prior to making the disclosure).

(c) ***No Third-party Beneficiaries.*** This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns; provided, however, that (i) the provisions in Section 2 above concerning payment of the Merger Consideration are intended for the benefit of the Target Stockholders and (ii) the provisions in Section 5(g) above concerning insurance and indemnification are intended for the benefit of the individuals specified therein and their respective legal representatives.

(d) ***Entire Agreement.*** This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes any prior

understandings, agreements or representations by or among the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

(e) ***Succession and Assignment.*** This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Parties.

(f) ***Counterparts.*** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(g) ***Headings.*** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(h) ***Notices.*** All notices, requests, demands, claims and other communications hereunder will be in writing. Any notice, request, demand, claim or other communication hereunder shall be deemed duly given if (and then two business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to the Target:

Kure Corp.  
Attn: Craig Brewer, CEO  
1440 Westinghouse, Ste. L  
Charlotte, NC 28273  
Email: [craig.brewer@kuresociety.com](mailto:craig.brewer@kuresociety.com)

Copy to:

Paul Porter  
4521 Sharon Road  
Charlotte, NC 28211  
Email: [pporter@sstreetllc.com](mailto:pporter@sstreetllc.com)

If to the Buyer or Transitory Subsidiary:

Aman Parmar  
Marcos Agramont  
Suite 2710 - 200 Granville Street,  
Vancouver, British Columbia  
V6C 1S4

Copy to:

Patrick E. Ogle  
Nevada Corporate Counsel LLC  
P.O. Box 19925  
Reno, Nevada 89511

Any Party may send any notice, request, demand, claim or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail or electronic mail), but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner herein set forth.

(i) **Governing Law.** This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Florida without giving effect to any choice or conflict of law provision or rule (whether of the State of Florida or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Florida.

(j) **Amendments and Waivers.** The Parties may mutually amend any provision of this Agreement at any time prior to the Effective Time with the prior authorization of their respective boards of directors; provided, however, that any amendment effected subsequent to stockholder approval will be subject to the restrictions contained in the Florida Business Corporations Act. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by all of the Parties. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

(k) **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(l) **Expenses.** Each of the Parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

(m) **Further Assurances.** Each party hereto shall do and perform or cause to be done and performed all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as any other party hereto reasonably



may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(n) **Construction.** The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires. The word "including" shall mean including, without limitation.

(o) **Incorporation of Exhibits and Schedules.** The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

[signature page follows]

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

**Isodiol International, Inc.**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Kure Corp.**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Kure Acquisition Corp.**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_