

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2020-10-01** | Period of Report: **2020-09-22**  
SEC Accession No. [0001445866-20-001436](#)

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FILER

**Bakhu Holdings, Corp.**

CIK: **1440153** | IRS No.: **262608821** | State of Incorporation: **NV** | Fiscal Year End: **0731**  
Type: **8-K** | Act: **34** | File No.: **000-55862** | Film No.: **201215632**  
SIC: **1040** Gold and silver ores

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): **September 22, 2020**

**Bakhu Holdings, Corp.**

(Exact name of Company as specified in its charter)

**Nevada**  
(State or Other Jurisdiction  
of Incorporation)

**000-55862**  
(Commission File Number)

**26-0510649**  
(IRS Employer  
Identification Number)

**One World Trade Center, Suite 130**  
**Long Beach, CA 90831**  
(Address of Principal Executive Offices)

**(310) 891-1959**  
(Registrant's Telephone Number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

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

Title of each class	Trading Symbols(s)	Name of each exchange on which registered
N/A		

## FORWARD LOOKING STATEMENTS

The following discussion, in addition to the other information contained in this Current Report, should be considered carefully in evaluating our prospects. This Report (including without limitation the following factors that may affect operating results) contains forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”) regarding us and our business, financial condition, results of operations and prospects. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and similar expressions or variations of such words are intended to identify forward-looking statements but are not the exclusive means of identifying forward-looking statements in this Report. Additionally, statements concerning future matters such as revenue projections, projected profitability, growth strategies, possible changes in legislation and other statements regarding matters that are not historical are forward-looking statements.

## ADDITIONAL INFORMATION

You are urged to read this Current Report carefully. This Current Report is not all-inclusive and does not contain all the information that you may desire in evaluating the Company. You must conduct and rely on your own evaluation of the Company, including the merits and risks involved in making a decision to invest in our stock. No representations or warranties of any kind are intended nor should any be inferred with respect to the economic viability of the Company or with respect to any benefits, which may accrue as a result of an investment in the Company. The Company does not in any way represent, guarantee or warrant an economic gain or profit with regard to our business. We do not in any way represent or warrant the advisability of investing in our stock. Any projections, forecasts, or other forward-looking statements or opinions contained in this Current Report constitute estimates by us based upon sources deemed to be reliable, but the accuracy of this information is not guaranteed nor should you consider the information all-inclusive.

As used in this Current Report and unless otherwise indicated, the terms “we,” “us,” “our,” the “Company,” and “Bakhu” refer to Bakhu Holdings Corp.

### **Item 1.01 Entry into a Material Definitive Agreements.**

#### ***Amendment to Amended and Restated License Agreement***

On September 22, 2020, Cell Science Holdings Ltd., (“Cell Science”) and Bakhu Holdings Corp. (“Bakhu”), entered into an Amendment to the Amended and Restated Patent Technology License Agreement (the “Amendment”). Cell Science and Bakhu are parties to that certain Patent and Technology License Agreement, dated December 20, 2018, which on December 31, 2019, was restated in its entirety by the Amended and Restated Patent and Technology License Agreement (the “Restated License”, and was further amended by the Amendment (collectively the “Amended Restated License Agreement”). Pursuant to the Amended Restated License Agreement, Cell Science is referred to as the Licensor and Bakhu is referred to as the Licensee.

Pursuant to the Amendment, the Restated License was revised and amended as follows:

1. Exhibit 1 attached to the Amendment entitled “Revised Laboratory Testing Requirements for Section 4.2” (“Efficacy Demonstration”) fully replaces and supersedes the Exhibit 1 attached to the Restated License.
2. Section 4.1 of the Restated License was amended to provide that 190,000,000 of the 210,000,000 shares of Bakhu Common Stock previously delivered to Cell Science by Bakhu shall remain subject to forfeiture (the “Contingent Shares”), and 20,000,000 shares will be free from possible forfeiture and be released to Cell Science (the “Released Shares”).
3. To clarify the criteria and procedure to be applied in the Efficacy Demonstration in determining the percentage of achievement against the Standard Results claim by the Inventor, which would be used to calculate the number of Contingent Shares to be forfeited and delivered by Cell Science to Bakhu, as provided in Section 4.1 of the Amended Restated License Agreement, and the amount of the reduction to

the one-time payment of U.S. \$3.5 million, less an amount equal to all cash and expense advances to Cell Science representatives to the Science Team.

4. To provide that the one-time cash payment under the Amended Restated License Agreement, as adjusted, upon the final determination of the percent of achievement, will be paid pursuant to the promissory note to be executed by Bakhu in favor of Cell Science, in the form attached as Exhibit 2 to the Amendment.

5. To provide that concurrently with the execution of the Amendment, Cell Science will execute, have acknowledged, and deliver to Bakhu the Patent and Technology License in the form attached as Exhibit 3, to the Amendment, which will be held in trust by Bakhu. Upon Bakhu's delivery of the License Consideration as provided in the Amendment, Bakhu will record the form of Patent and Technology License in the form of Exhibit 3 attached to the Amendment.

6. To provide that upon payment of the License Consideration as provided in the Amendment, Bakhu will be deemed to have satisfied all representations, warranties, terms, covenants, and conditions required under the Amended Restated License Agreement to have been performed, satisfied, or met by Bakhu under the Amended Restated License Agreement. Thereafter, no right, remedy, cause of action, or claim for relief will be based thereon. No further misrepresentation, statement, warranty, act, failure to make any statement, action, or failure to act by Bakhu, including failure to fully and timely perform any term, covenant, or condition of the Note, including payment of all amounts due, will alter or affect in any way the right and license granted to Bakhu hereunder or the rights granted by Bakhu to sublicensees. Notwithstanding the foregoing, the Amended Restated License Agreement provides that if Bakhu is found in any final, non-appeal order by a court having jurisdiction in the premises, liable to Cell Science for any breach of or default under the Amended Restated License Agreement or any material misrepresentation or failure to state a material fact required to be stated in order to make any statement that is made not misleading, Cell Science's remedy will be limited to substitution as sublicensor under any sublicense granted by Bakhu, subject to generally prevailing equitable principles and applicable rights and limitation under U.S. Bankruptcy Law

7. To provide that any breach of or default by Bakhu under Section 7 of the Restated License, "Patent Expenses and Prosecution", will not alter, affect, or result in the forfeiture of the rights and license granted hereunder or any sublicense or similar rights granted by Bakhu in accordance with its rights and license.

The foregoing summary descriptions of the terms of the Amendment is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text such Amendment, attached as Exhibit 10.01 to this Current Report on Form 8-K.

#### ***Agreement, Assignment, Waiver and Estoppel***

On September 22, 2020, Peter Whitton ("Whitton"), Mentone Ltd., a corporation organized under the laws of England and Wales ("Mentone"), Cell Science, and its stockholders Inter-M Traders FZ LLE ("Inter-M"), The OZ Corporation ("OZ"), and Mentone, along with Bakhu, entered into an Agreement, Assignment, Waiver and Estoppel (the "Estoppel Agreement"). Pursuant to the Estoppel Agreement Whitton and Mentone acknowledged and confirmed their previous successive assignments of the Intellectual Property (as defined in the Estoppel) to Cell Science and waived any right of reversion or other claim to regain any right, title or interest in the Intellectual Property. Additionally the parties ratified and acknowledged that Cell Science is the sole ownership of the Intellectual Property and confirmed the license by Cell Science, as Licensor of the Intellectual Property and the Bakhu Licensed Technology (as defined in the Estoppel), to Bakhu, as licensee, pursuant to the Amended Restated License Agreement.

The foregoing summary descriptions of the terms of the Estoppel Agreement is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text of the Estoppel Agreement, attached as Exhibit 10.02 to this Current Report on Form 8-K.

### ***Indemnification Agreement***

In order to protect its current officers and directors and to assure them of adequate protection supplemental to and in furtherance of the protection provided by the Articles of Incorporation, the Bylaws and the applicable Nevada law, on September 22, 2020, Bakhu entered into Indemnification Agreements with its directors, Thomas K. Emmitt, Peter Whitton, Aristotle Popolizio and Evripides Drakos, in the form attached as Exhibit 10.03 to this Current Report on Form 8-K.

### ***Assignment and Assumption Agreement***

OZ and Bus Dev Centre, Inc., a Nevada Corporation ("BDC") are parties to that certain Consulting Agreement dated August 15, 2018, as revised on August 17, 2018 (the "BDC Consulting Agreement") under which BDC provides advisory and consultancy services to OZ in furtherance of the Efficacy Demonstration on behalf of Bakhu, including without limitation services related to, the validation and commercialization of the licensed science, requirements for Bakhu to prepare a compliant sublicensing and business model, guidance for the compliant operations of a commercial facility by Bakhu, and general overview of prospective strategies in the Cannabis and CBD related industry.

Bakhu, OZ, and BDC have determined that the services provided by BDC to OZ have been, and will continue to be, in furtherance of the interest of Bakhu, and on September 22, 2020, Bakhu and OZ and BDC entered an Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") under which OZ transferred and assigned to Bakhu, and Bakhu assumed all rights and obligations to BDC under the BDC Consulting Agreement, and BDC will consents to such assignment and assumption of the BDC Consulting Agreement.

The foregoing summary descriptions of the terms of the Assignment and Assumption Agreement is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text of such agreement, attached as Exhibit 10.04 to this Current Report on Form 8-K.

### ***Office Cost Sharing Agreement***

On September 22, 2020, Bakhu and OZ entered into an Office Cost Sharing Agreement under which Bakhu agrees to share the office costs and expenses associated with the office space, equipment, telephone and internet service, utilities, answer services and support staff provided by OZ to Bakhu for a fixed amount of \$34,000 per month. Bakhu uses these facilities for Thomas K. Emmitt the President and CEO of Bakhu, Bakhu's accounting staff, and Bus Dev Centre, Inc. and its principal, Donald Clark, who provides advisory and consulting services in furtherance of, among other things, the efficacy demonstration and Bakhu's anticipated sublicensing efforts.

The foregoing summary descriptions of the terms of the Office Cost Sharing Agreement is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text of such agreement, attached as Exhibit 10.05 to this Current Report on Form 8-K.

### **Item 3.02 - Unregistered Sales of Equity Securities**

On July 24, 2020, the Company issued 114,000 restricted shares of Common Stock to five accredited investors, for cash at a price of \$2.50 per share for aggregate consideration of \$285,000. No underwriters were used. The shares were issued pursuant to an exemption from registration provided by Section 4(a)(2) and Regulation S of the Securities Act of 1933.

## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On September 22, 2020 the Board of Directors of Bakhu expanded its executive management team and appointed Aristotle Popolizio, a current director of the Company, as Vice President and Secretary.

**Aristotle Popolizio** – is the head of Investment Relations at Inter-M Traders Ltd., a family office equity investment fund, with offices in Cyprus and New York City. Mr. Popolizio leads a team in research, raising capital and the development of operational risk management plans, and ensures the company is appropriately and strategically positioned with analysts, investors, and all stakeholders. Mr. Popolizio has a BS in Risk Management and a Minor in International Business from the Smeal college of The Pennsylvania State University. Mr. Popolizio provides advisory services in a wide variety of sectors, including pharmaceutical companies, bio-medical companies, CPA's, attorneys, and government bodies. Mr. Popolizio holds licenses with FINRA (series 7 and series 66) and NIPR (life insurance, accident and health insurance, property insurance, and casualty insurance).

## **Item 8.01 Other Events.**

### ***2020 Long-Term Incentive Plan***

On September 22, 2020 the Board of Directors of Bakhu adopted the 2020 Long-Term Incentive Plan (the “2020 Plan”) to attract and retain the best available employees, directors, consultants, advisors and persons providing services to the Company. Under the 2020 Plan, 20,000,000 shares of the Company’s common stock are reserved out of the authorized and unissued shares of Common Stock, for issuance pursuant to the exercise of options, and issuances of awards granted under the 2020 Plan.

The foregoing summary descriptions of the terms of the 2020 Plan is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text of the 2020 Plan, attached as Exhibit 10.06 to this Current Report on Form 8-K.

### ***Grant of Options to Directors***

On September 22, 2020, Bakhu granted to each of its directors, Thomas K. Emmitt, Peter Whitton, Aristotle Popolizio and Evripides Drakos, a non-qualified stock option to purchase 300,000 shares of common stock at an exercise price of \$2.50 per share, representing the current price at which Bakhu is offering and selling its restricted shares for cash in its capital raising efforts. Such Options shall be exercisable for a period of seven years. Twenty percent (20%) (i.e. 60,000) of the options shall vest and be exercisable immediately with the remaining 240,000 options vesting at the rate of 1/12 (i.e. 20,000 shares) per month so that all options shall be fully vested and exercisable on the first anniversary of the Grant Date.

No underwriters were used. The securities were issued pursuant to an exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933. The individuals receiving the options were all directors of the Company intimately acquainted with the Company’s business plan and proposed activities at the time of issuance, and possessed information on the Company necessary to make an informed investment decision.

### ***Code of Ethics***

On September 22, 2020, the Board of Directors of Bakhu in accordance with Section 406 of the Sarbanes-Oxley Act of 2002 adopted a Code of Ethics that applies to its principal executive officer, principal financial officer, and principal accounting officer that is reasonably designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional relationship;
- Full, fair, accurate, timely and understandable disclosure in SEC reports and in other public communications;
- Compliance with applicable governmental laws, rules and regulations;

- Prompt internal reporting of violations of the code of ethics to appropriate person or persons identified in the code of ethics; and
- Accountability for adherence to the code of ethics.

The foregoing summary descriptions of the Code of Ethics is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text the Code of Ethics, attached hereto as Exhibit 14.01 to this Current Report on Form 8-K.

#### ***Adoption of Audit Committee Charter***

On September 22, 2020, the Board of Directors of Bakhu adopted a charter (the “Audit Committee Charter”) to govern the Audit Committee. Until such time as the Company has appointed the requisite minimum number of independent directors, according to the rules of the principal market on which Bakhu’s shares are traded, the entire Board shall serve as the audit committee.

In addition to the enumerated responsibilities of the Audit Committee in the Audit Committee Charter, the primary function of the Audit Committee is to assist the Board in its general oversight of the quality and integrity of the Company’s financial statements, the Company’s compliance with legal and regulatory requirements, the qualifications, performance and independence of the Company’s independent registered public accounting firm, the performance of the Company’s internal audit function or the design and implementation of the internal audit function and the Company’s system of disclosure controls and procedures, internal control over financial reporting and compliance with ethical standards adopted by the Company.

The foregoing summary descriptions of the Audit Committee Charter is a summary only and does not purport to be complete, may not contain all information that is of interest to the reader and is qualified in its entirety by reference to the full text the Audit Committee Charter, attached hereto as Exhibit 10.07 to this Current Report on Form 8-K.

#### ***Insider Trading and Confidentiality Policy***

On September 22, 2020, the Board of Directors of Bakhu adopted an Insider Trading and Confidentiality Policy, deeming it prudent for the Company to have a written policy concerning transactions in the Company’s securities as well as the disclosure and protection of material, non-public information that applies to its directors, officers, employees, and consultants.

#### **Item 9.01 Financial Statements and Exhibits**

(d) **Exhibits.** The following exhibits are either filed as a part hereof or are incorporated by reference. Exhibit numbers correspond to the numbering system in Item 601 of Regulation S-K.

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
10.1	<a href="#">Amendment to Amended and Restated License Agreement</a> dated September 22, 2020(1)
10.2	<a href="#">Agreement, Assignment Waiver and Estoppel</a> dated September 22, 2020(1)
10.3	<a href="#">Form of Indemnification Agreement</a> (1)
10.4	<a href="#">Assignment and Assumption Agreement</a> dated September 22, 2020(1)
10.5	<a href="#">Office Cost Sharing Agreement</a> dated September 22, 2020(1)
10.6	<a href="#">Bakhu 2020 Long-Term Incentive Plan</a> (1)
10.7	<a href="#">Audit Committee Charter</a> (1)
14.01	<a href="#">Code of Ethics</a> (1)

(1) Filed herewith

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**BAKHU HOLDINGS CORP.**

Date: September 30, 2020

/S/ Thomas K Emmitt

By: Thomas K. Emmitt

Its: President and Chief Executive Officer  
(Principal Executive Officer)

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**AMENDMENT TO THE  
AMENDED AND RESTATED  
PATENT AND TECHNOLOGY LICENSE AGREEMENT**

THIS AMENDMENT TO THE AMENDED AND RESTATED PATENT AND TECHNOLOGY LICENSE AGREEMENT (this “Amendment”) is entered into as of September 22, 2020 (the “Effective Date”), by and between CELL SCIENCE HOLDING LTD., a limited liability company organized and existing under the laws of the Republic of Cyprus, having its principal office at Panteli Katelari 18A, Agios Ioannis, Limassol, 3012 Cyprus (“Cell Science”), and BAKHU HOLDINGS, CORP., a Nevada corporation, having its principal office at One World Trade Center, Suite 130, Long Beach, CA 90831, United States (“Bakhu”).

**Premises**

A. Cell Science owns and controls patents and patents pending that encompass the products, methods, and processes described and claimed in the Patents Rights, together with related know-how, trade secrets, proprietary information, and related intellectual property and has determined that it is in the best interests of Cell Science to develop and commercialize the products, methods, and processes described and claimed in the Patents Rights based on the terms and conditions set forth herein. Cell Science has granted to Bakhu, and Bakhu has accepted, and launched its business plan on the basis of, such license grant.

B. Cell Science and Bakhu are parties to that certain Patent and Technology License Agreement, dated December 20, 2018, which on December 31, 2019, was merged with and into the Amended and Restated Patent and Technology License Agreement and is further amended by this Amendment (the “License Agreement”). In the License Agreement, Cell Science is referred to as the Licensor and Bakhu is referred to as the Licensee.

C. Cell Science and Bakhu desire that the terms and provisions of the License Agreement be further amended and revised pursuant to the terms and provisions of this Amendment.

D. Capitalized terms used but not defined in the Amendment have the meanings ascribed them in the License Agreement.

**Agreement**

**NOW, THEREFORE**, upon the foregoing premises and the mutual agreements and covenants herein contained, which are incorporated herein by this reference, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Cell Science and Bakhu hereby agree as follows:

1. Revised Exhibit 1. Exhibit 1 attached to this Amendment entitled “Revised Laboratory Testing Requirements for Section 4.2” (“Efficacy Demonstration”) fully replaces and supersedes the Exhibit 1 attached to the License Agreement.

2. Common Stock Issued or to be Issued.

(a) The 210,000,000 shares of Common Stock delivered to Cell Science are subject to forfeiture pending the completion of the laboratory testing to be performed pursuant to Section 4.1 of the License Agreement.



(b) Pending the completion of laboratory testing that meets or exceeds the requirements of the Restated License, 190,000,000 of the shares of Bakhu Common Stock previously delivered to Cell Science by Bakhu shall be subject to forfeiture (the “Contingent Shares”), and 20,000,000 shares will be free from possible forfeiture and be released (the “Released Shares”). In consideration of the License Agreement and this Amendment, the Released Shares are deemed issued and fully paid, and Cell Science will have no obligation to forfeit or return for cancellation any Released Shares.

(c) Cell Science will not transfer any right, title, or interest in or to the Contingent Shares and authorizes and instructs Bakhu to lodge a copy of this Amendment with Bakhu’s transfer agent and registrar as Bakhu’s instructions not to register transfer of any part of such Contingent Shares.

3. Commercial Scale Demonstration; Payment of License Consideration. In accordance with its license, Bakhu is conducting or causing to be conducted the laboratory testing in accordance with the requirements of the Restated License and this Amendment, particularly Exhibit 1 of this Amendment. The results of the laboratory testing must meet or exceed previously made representations of the Inventor and Cell Science as to commercial quantity, concentration and cost, and otherwise be reasonably acceptable to Bakhu relative to its business and profit goals respecting the Licensed Science by the date specified in revised Exhibit 1 to this Amendment including the term of any applicable Extended Test Period. In the event the laboratory testing demonstrates commercial quantity, concentration and costs less than 90% of the prior representations and warranties of Cell Science, the number of Contingent Shares to be released and amount of cash payable under the Restated License is to be reduced in proportion to the actual efficacy compared to the promised efficacy represented by Cell Science as specified in the Standard Result (the “Percentage Achievement”), all as more particularly set forth in Exhibit 1 to this Amendment.

(a) On completion of the laboratory testing, as confirmed by a third-party testing laboratory, Bakhu will advise Cell Science of Bakhu’s proposed Percentage Achievement, together with supporting detail, including the report of results from the third-party testing laboratory (the “Proposed Percentage Achievement”). The Proposed Percentage Achievement will be deemed accepted and agreed to by Cell Science unless it objects in writing within ten (10) days after receiving the Proposed Percentage Achievement (the “Objection Date”).

(b) If Cell Science timely objects to Bakhu’s Proposed Percentage Achievement, the amount of the Percentage Achievement will be determined in accordance with this subparagraph. Bakhu and Cell Science will, within twenty (20) days the Objection Date, select and agree upon a scientist to determine the Proposed Percentage Achievement. Such scientist will use his or her best efforts to render his or her decision on or before thirty (30) days after his or her selection. Such determination by such scientist will be final and binding upon the parties. If Bakhu and Cell Science cannot agree upon a scientist within eighty (80) days after the Objection Date, then each of Bakhu and Cell Science will, within ninety-five (95) days of the Objection Date, select a scientist. Such scientists will use their best efforts to render their determination on or before thirty (30) days after their selection. If the highest number determined by such scientists does not exceed the lowest determination by more than thirty percent (30%), then the average of such determination will be the Proposed Percentage Achievement and such average will be final and binding upon the parties. If the higher determination exceeds the lower determination by more than thirty percent (30%) of the lower number, then the two scientists will select a third scientist. Such third scientist will use his or her best efforts to render the determination of the Percentage Achievement, which must be between the numbers of the preceding two scientists. The Proposed Percentage Achievement will be decided by the third scientist on or before thirty (30) days after his or her selection. The



determination of such third scientist will be final and binding upon the parties. The cost of the scientists appointed by Cell Science will be borne by it, the cost of the scientist appointed by Bakhu will be borne by it, and the cost of the third scientist or, if the parties will have jointly selected one scientist, the cost of the jointly-selected scientist will be borne one-half (½) by Cell Science and one-half (½) by Bakhu. For purposes of this provision, each scientist will be required to have earned at least a PhD in a discipline relevant to cell culture biochemistry or microbiological and biochemistry-based cell science principles.

(c) On final determination of the Percentage Achievement, Bakhu will:

(i) calculate the number of Contingent Shares to be forfeited and delivered by Cell Science to Bakhu, if any, as provided in Section 4.1 of the License Agreement, and the amount of the reduction to the one-time payment of U.S. \$3.5 million, less an amount equal to all cash and expense advances to Cell Science representatives to the Science Team (the “One-time Payment”);

(ii) Execute and deliver to Cell Science Bakhu’s irrevocable confirmation that any claim to all or any portion of the Contingent Shares released pursuant hereto against delivery of the certificate for that portion of the Contingent Shares to be surrendered as provided in subparagraph (g) of this section below; and

(iii) complete to appropriately reflect the principal amount of the One-time Payment reflecting the Percentage Achievement, execute, and deliver to Cell Science the promissory note substantially in the form of Exhibit 2 attached hereto and incorporated herein by reference (the “Note”), with interest specified at the lowest applicable federal rate permitted to avoid the imputation of interest under the U.S. Internal Revenue Code.

The One-time Payment and the Contingent shares released from forfeiture are referred to together as the License Consideration.

(d) On final determination of the Percentage Achievement, Cell Science will deliver to Bakhu the certificate evidencing the shares of Contingent Shares to be cancelled in accordance with Section 4.1 of the License Agreement, properly endorsed for transfer, accompanied by evidence reasonably acceptable to Bakhu that all required endorsement are genuine and effective. If the certificate delivered by Cell Science is for a larger number of shares than the shares to be cancelled, Bakhu will promptly transfer and issue in the name of Cell Science a certificate for the shares surrendered that are not to be cancelled.

4. License Recordation. In order to effectuate the grant of the license contemplated by the License Agreement, contemporaneously with the execution of this Amendment, Cell Science will execute, have acknowledged, and deliver to Bakhu the Patent and Technology License in the form attached as Exhibit 3, to be held in trust by Bakhu pending satisfaction of Section 2 of this Amendment. Upon Bakhu’s delivery of the License Consideration as provided above, Bakhu will record the form of Patent and Technology License in the form of Exhibit 3 attached hereto and incorporated herein by reference. At the request of Bakhu, Cell Science will execute such additional confirmatory instruments or documents deemed by Bakhu to be necessary and convenient to fully vest in Bakhu the rights and license to be granted hereunder.

5. Retained Rights; No Implied Licenses; Limitations. The license granted hereunder is subject the rights retained by Cell Science to:

- (a) publish the scientific findings from research related to the Patent Rights;
- (b) use the Licensed Science for patient care, teaching, research, education, and other educationally related purposes; and
- (c) use the Licensed Science in fields other than the Field.

In addition, all rights not specifically granted to Bakhu herein are reserved and retained by Cell Science. Nothing in this Amendment will be deemed to constitute the grant of any license or other right to either party, to or in respect of any product, patent, trademark, proprietary information, trade secret, or other data or any other intellectual property of the other party, except as expressly set forth herein.

6. Satisfaction of Agreement Covenants. Upon payment of the License Consideration as provided above, Bakhu will be deemed to have satisfied all representations, warranties, terms, covenants, and conditions required under the License Agreement to have been performed, satisfied, or met by Bakhu under the License Agreement. Thereafter, no right, remedy, cause of action, or claim for relief will be based thereon. No further misrepresentation, statement, warranty, act, failure to make any statement, action, or failure to act by Bakhu, including failure to fully and timely perform any term, covenant, or condition of the Note, including payment of all amounts due, will alter or affect in any way the right and license granted to Bakhu hereunder or the rights granted by Bakhu to sublicensees. Notwithstanding the foregoing, if Bakhu is found in any final, non-appeal order by a court having jurisdiction in the premises, liable to Cell Science for any breach of or default under the License Agreement or any material misrepresentation or failure to state a material fact required to be stated in order to make any statement that is made not misleading, Cell Science's remedy will be limited to substitution as sublicensor under any sublicense granted by Bakhu, subject to generally prevailing equitable principles and applicable rights and limitation under U.S. Bankruptcy Law

7. Patent Expenses and Prosecution. Any breach of or default by Bakhu under Section 7 of the License Agreement, "Patent Expenses and Prosecution", will not alter, affect, or result in the forfeiture of the rights and license granted hereunder or any sublicense or similar rights granted by Bakhu in accordance with its rights and license.

8. Ratification of Agreement. Except as expressly amended by the foregoing, the parties ratify and confirm the License Agreement.

\*\*\* Signature Page Follows \*\*\*

**IN WITNESS WHEREOF**, the parties hereto have caused their duly authorized representatives to execute this Amendment as of the Effective Date.

**LICENSOR:**

**CELL SCIENCE HOLDING LTD.**

By: \_\_\_\_\_  
Petros Charalambous, Director and Secretary

Date: \_\_\_\_\_

**LICENSEE:**

**BAKHU HOLDINGS, CORP.**

By: \_\_\_\_\_  
Thomas K. Emmitt, President and CEO

Date: \_\_\_\_\_

**EXHIBIT 1**

**REVISED LABORATORY TESTING REQUIREMENTS FOR SECTION 4.2**

**Planned demonstration of application of proprietary science and processes at commercial scale within standards of agreed efficacy.**

The Parties (as defined therein) to that certain Amended and Restated Patent and Technology License Agreement dated December 31, 2019 (the “Restated License”), as amended by the Amendment to License Agreement dated September 22, 2020 (the “Amendment to the Restated License”) (together, the “License Agreement”), all agree that a commercial scaled demonstration of the Licensed Science, as defined in the License Agreement, is necessary to satisfy the claims of the inventor, and to set the economic value of the transaction which contemplates a cash and equity payment to the inventor.

**This Revised Laboratory Testing Requirements for Section 4.2 supersedes and replaces in full previous versions of Exhibit 1 to the Restated License.**

To this specific end, the Parties agree that the “laboratory testing” referred to in Section 4.2 of the License Agreement will be initiated when Dr. Whitton and his team have satisfactorily prepared the R and D lab environment, and fine-tuned the supporting equipment for the Cell Science Process, with Dr. Whitton providing written notice to Bakhu the Efficacy Demonstration has commenced. The laboratory testing will have the following attributes, and target delivering the results set forth below, and the delivery of such results will demonstrate, for purposes of this Exhibit and the terms of the Agreement, acceptable “efficacy” of the proprietary science underlying the Licensed Science for commercial and licensing purposes, which means that the laboratory testing confirms that the licensed proprietary science and processes can be used routinely by qualified personnel in accordance with the prescribed specification for specialized equipment, suitable facilities, formulations, and processes to consistently, predictably, repeatedly and economically produce commercial quantities of the specified cannabinoids (hereinafter the “Efficacy Demonstration”).

The “Science Team” as referenced in this Exhibit consists of professional scientists from Mentone Ltd., a corporation organized under the laws of the United Kingdom, which is owned by Dr. Peter Whitton, Geoffrey Dixon and Karl Watkin.

**Overall objective:** The end product, in quantity, projected production costs, and quality will meet the representative claims, oral and written, summarized below:

**A. Representative Claims and Proposed Actions and Duties of the Inventor:**

1. **General Claim:** The Licensed Science and processes may be utilized to dissect a cell of a cannabis donor plant that has measurable THC (tetrahydrocannabinol) and CBD (cannabidiol) percentage levels, and thereafter grow duplicate cells in a laboratory commercial application over a combined cycle of 18 to 24 weeks, so that each grow cycle,



using five (5), 1,000 liter bioreactors (each, a “Bioreactor” and five together, a “Bioreactor Group”), with each Bioreactors in the group and a Bioreactor Group in the aggregate:

- (a) loaded from the same seed culture batch,
- (b) loaded over a period not to exceed seven days between bioreactors in the Bioreactor Group,
- (c) operated under the same temperatures, lighting, ventilation, vacuum, equipment calibration, drying times, temperature, and all other material specifications, and
- (d) harvested via membrane filtration to produce a liquid product concentrate.
- (e) producing, after filtering, and drying, at least 18 KG (approximately 39 lbs.) of concentrate cells and media culture food and nutrients per Bioreactor and 90 KG (approximately 198 lbs.) for the Bioreactor Group,
- (f) with further processing producing the volume of cannabinoids in KG per bioreactor harvest that mirror the same percentage of THC and CBD as the donor cell, and (Example: 20% THC in Donor plan yields 3.6 KG of cannabinoids).
- (g) At a predictable cost of consumables, disposables and utilities (excluding capital expenditures, labor, admin, and operational expenses not directly related to the Cell Science Process) of \$0.10 per gram.

Tests will be conducted separately for each Bioreactor in a Bioreactor Group and aggregated to determine the test results for that particular Bioreactor Group.

2. **Specific Claim:** The Licensed Science may be utilized to dissect a donor cell from a cannabis plant, with a laboratory tested and verified beginning THC and CBD levels, re-produce that cell to a flask volume within six to eight weeks, and thereafter reproduce that cell culture from flask to a seed culture volume of 100 liters, separated into 10 liter bags of seed culture cells to be added to ten (10), 1,000 liter bioreactors, with the 10 liter of cells for the seed culture containing the identical cell profile as the original donor cell.
3. **Specific Claim:** The Cell Science process, of selecting a targeted cell from a cannabis plant with a third party affirmed THC and CBD percentage presence, and growing that targeted cell forward in multiple steps, including growing the cells in a proprietary bioreactor within a proprietary pod under controlled conditions, will produce a cell culture, that after harvesting a 1000 liter bioreactor, will produce a concentrate that has a proportional representation in terms of KG of cannabinoids of the donor plant identified THC/CBD cannabinoids. The Licensed Science processes may be utilized to add a 10 liter seed culture to a one (1), 990 liter medium culture, and in approximately six weeks of cell growth process (the “Production Cycle”), harvest through a filtering process, approximately 100 liters of production cells concentrate that is then laboratory dried to approximately 18 KG (39 lbs.) or more of dry cell concentrate, media culture nutrients and food, or at the discretion of the Science Team is distilled, to yield the volume of Cannabinoids defined by the formula: 18 times original THC/CBD percentage of donor plant equals the end product expressed in KG.. The end product will contain the same

THC and CBD percentages of cannabinoids as the donor cell and the cell profiles in the 10 liter seed culture originally added to the each of the 1,000 liter bioreactors at the beginning of the Production Cycle. (Section 2 and 3 combined as the “Efficacy Demonstration”. To further clarify, if the donor plant from which the science team harvests the initial seed cells, had 20% THC/4% CBD (The Donor Cell Profile), the Specific Claim is in a 1000 liter batch, the Cell Science process will yield 3.6KG of pure cannabinoids that mirror the donor plant cell profile.( Yield = 20% X 18kg (our predicted business

Exhibit 1 – Page 2

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model concentrate yield sans sugar or nutrient material ) or 3.6 KG of pure cannabinoids) The Science Team will conduct and document the Efficacy Demonstration in processes in two Bioreactor Groups, Bioreactor Group A consisting of Bioreactors 1 – 5, and Bioreactor Group B consisting of Bioreactors 6 – 10, to satisfy the Efficacy Demonstration requirement.

4. **Specific Claim:** The Science Team, and their retained professionals can design a commercial production laboratory, which will be equipped with ten (10), 1,000 liter disposable bioreactor bladders, Bioreactor Group A and Bioreactor Group B, and all necessary supporting equipment for the laboratory, and the production facility (as needed for sterilization mixing, seed culturing, filtration, drying, and packing) and thereafter oversee the construction and testing of such a facility, and designing and buying or building necessary support equipment, and coincidentally, prepare all necessary handbooks and supporting proprietary and non-proprietary process documentation, that will result in a documented demonstration of the commercialization of the science process more fully described in Section 1 above.
5. **Specific Claim:** The Science Team, and their retained professionals and contractors will oversee the construction and equipping of the proposed laboratory, and production facility in a site selected and provided by an affiliate of the Licensee, including the selection of all equipment and supporting material necessary to complete the laboratory and production facility to the written standards of the Science Team.
6. **Specific Duties:** The equipment, necessary contractors, labor, permits, insurance, and improvements to procure and prepare the laboratory and production facility will be paid for and owned by an affiliate of the Licensee. Additionally, all supplies, utilities, security, and any fees or expenses common to operation of a laboratory and a production facility will be paid by an affiliate of the Licensee during the Efficacy Demonstration.
7. **Specific Duty:** The Science Team and their retained professionals will administer any testing, adjusting, and operational exercise required to ready the laboratory and production facility for this specific Efficacy Demonstration.
8. **Specific Duty:** The Science Team will select the plant(s) to be utilized as the donor plants for the Efficacy Demonstration from a resource provided by an affiliate of the Licensee.
9. **Specific Duty:** The Science Team will dissect and test the “donor” cell for the level of THC and CBD.
10. **Specific Duty:** The Science Team will distribute selected cells to a third-party laboratory to affirm the percentage of THC and CBD in the donor cells at the initiation of the culture growing process, with the laboratory test cost paid by the affiliate of the Licensee.
11. **Specific Duty:** The Science Team will dissect and grow the flask of cells, which will then be utilized to grow the 50 liters of cells to be utilized as the seed culture for the five (5) bioreactors of Bioreactor Group A, which will be loaded, processed, and tested separately, and when this growth process is complete, begin the cell production cycle for Bioreactor Group A.

12. **Specific Duty:** The Science Team will dissect and grow the flask of cells, which will then be utilized to grow the 50 liters of cells to be utilized as the seed culture for the five (5)

bioreactors of Bioreactor Group B, which will be loaded, processed, and tested separately, and when this growth process is complete, begin the cell production cycle for Bioreactor Group B. It is assumed that the Science Team may make adjustments to the processes utilized for the second demonstration utilizing Bioreactor Group B.

13. **Specific Duty:** At the end of the Production Cycle for each of a Bioreactor Group A and Bioreactor Group B, the Science Team will harvest the production cells from each of the five (5) bioreactors of each of Bioreactor Group A and Bioreactor Group B, separately, filter the harvested cells, dry the harvested cells, and test the end product cells to ascertain if the desired result as set forth in Section 1., has been achieved, for each Bioreactor and Bioreactor Group.
14. **Specific Duty:** The Science Team will make available to a third-party test laboratory of Licensee's choosing sufficient quantities of the produced harvested and produced cannabinoids from all five (5) bioreactors of Bioreactor Group A, and all five (5) bioreactors of Bioreactor Group B to allow that third party testing laboratory to verify the stated claims and representations of the Science Team laboratory tested results.
15. **Specific Agreement:** Only the third-party laboratory tested results will be utilized to ascertain if the claims of the Science Team are verified.
16. **Specific Agreement:** The third-party laboratory tested results from Bioreactor Group B (i.e. Bioreactors 6 - 10) production cycle will be utilized to determine efficacy of the Licensed Science process unless the results from Bioreactor Group A production cycle prove superior to Bioreactor Group B production cycle.
17. **Specific Detail on the Acceptable "Standard Result":** The efficacy demonstration of the Licensed Science and process as set forth generally in Section 1 above is intended to achieve the following results:
  - (a) the quantity of harvested and dried cell concentrate equals or exceeds both 90 KG (approximately 198 lbs.) for two successive Bioreactor Groups and 18 KG (approximately 39 lbs.) of cells and media culture for each Bioreactor in the group ("Quantity Standard");
  - (b) the cells produced, harvested and dried during the full cycle of the Science process from each bioreactor harvest contain the targeted volume of cannabinoids expressed in KG that mirror the same levels of THC and CBD as the donor cells utilizing the formula: 18 times original THC/CBD percentage of donor plant equals the end product expressed in KG, with this result from each Bioreactor and all five (5) bioreactors of two successive Bioreactor Groups affirmed by a third-party testing laboratory ("Concentration Standard"); and
  - (c) this result is achieved at a projected utility and supplies (estimates of KWH for operation of the equipment will be added to the actual material costs per Bioreactor and for two successive Bioreactor Groups plus the cost of disposables and consumables to determine the "projected utility and supplies cost" without computation of admin, labor, capital expenditures, or prorated leasehold expenses) cost of \$0.10 per gram ("Cost Standard").

The achievement of the Quantity, Concentration, and Cost Standards results set forth in Section 17(a) through (c) above, for purposes of the License Agreement and the Efficacy Demonstration, is the “Standard Result” claimed by the inventor and acceptable to the Parties.

18. **Specific Agreement:** Any result with a variance in (a) a shortfall in the achieving the Quantity Standard, (b) a shortfall in achieving the Concentration Standard, or (c) an overage above the Cost Standard will trigger a pro-rata reduction in the cash and Common Stock consideration from Licensee to Licensor as set forth in the table below.
19. **Specific Notice:** Results at significant variation with the “Standard Result” devalue the science for licensing and production purposes, and depending on the variation, substantially reduce the commercial viability of the Licensed Science or render it commercially valueless.
20. **Specific Agreement:** The Parties agree to the table below as the guideline for affirmation of, and or reduction of price paid in cash and equity to Licensor under the License Agreement.
21. **License Consideration to Licensor.** The number of Contingent Shares as defined in the License Agreement and the amount of the cash payment provided in Section 4.1 and 4.2, respectively of the License Agreement (together, the “License Consideration”), will each be reduced if less than the claimed Quantity or Concentration Standards or more than the claimed Cost Standard is achieved in the particular Bioreactor and two successive Bioreactor Groups production cycles. To determine the applicable adjustment, (i) the actual Quantity Standard produced in the test will be divided by 90 KG and the result weighted 10%; (ii) the actual Concentration Standard of the cannabinoids produced will be measured in KG, and this amount will be determined by the formula: 18 times original THC/CBD percentage of donor plant equals the end product of cannabinoids expressed in KG, for each bioreactor, and this efficacy target for concentration will be weighted 75%; and (iii) and the Cost Standard of \$0.10 gram will be subtracted from the calculated cost per gram of the particular the test and the difference divided by \$0.10, weighted 15%. The percentage resulting from arithmetic average of the above weighted results will yield the results for that particular test (together, “Percentage Achievement”). The Science Team will utilize a sample from each bioreactor that will be used by the third-party lab to determine, with the results from testing each bioreactor, in the aggregate, the Percentage Achievement. The percentage of the License Consideration to be delivered to the Licensor for the Percentage Achievement is set forth in the table below.

Percentage Achievement of at least	100%	90%	80%	70%	60%	50%
Percent of Contingent Shares Released	100%	100%	90%	70%	60%	50%

Attached to this Exhibit 1 as Appendix A and incorporated herein by reference is a spreadsheet to be used to calculate Percentage Achievements.

- (a) The Standard Result requires that each Bioreactor in a particular Bioreactor Group as well as the Bioreactor Group as a whole yield a Percentage Achievement of 50% or



better in order to require payment and release of the agreed cash and Contingent Shares.

- (b) If the Percentage Achievement each Bioreactor is a particular Bioreactor Group as well as the Bioreactor Group as a whole is at least 50%, Licensor may request release of the Contingent Shares and the prorated cash payment, and elect to continue the Efficacy Demonstration Period as set forth herein below.

**B. Extension of the Efficacy Demonstration Period.**

1. In the event that the Percentage Achievement is less than 90% and more than 50%, the Science Team may extend the Efficacy Demonstration test period by adding one additional test period not to exceed 20 weeks (the "First Extended Test Period") with one additional Bioreactor Group (i.e. Bioreactor Group C), comprised of five (5) 1,000 liter bioreactors, making adjustments to the proprietary process to attempt to demonstrate an improved Percentage Achievement.
2. If, after the first Extended Test Period, the Percentage Achievement is less than 90% and more than 50%, the Science Team may extend the Efficacy Demonstration test period a second time by adding an additional test period not to exceed 20 weeks (the "Second Extended Test Period") with one additional Bioreactor Group, (i.e. Bioreactor Group D), comprised of five (5) 1,000 liter bioreactors, making adjustments to the proprietary process to attempt to demonstrate an improved Percentage Achievement.
3. For each Extended Test Period, any of the Contingent Shares not previously released under the table provided in Section 21 will be held by Licensee for potential release if the efficacy results improve during the Extended Test Period or cancellation and not released if the results during the Extended Test Period fail to improve. No adjustment will be made after the Second Extended Test Period.

**C. Confirmatory Study.** The Parties will contract with an independent laboratory to conduct a confirmatory study of Licensed Science in its ability to produce the results set forth in Section 4.3 of the License Agreement, at a commercial scale. The third-party qualified testing laboratory selected by Licensee will be established, recognized cannabis and related products duly licensed in the California that has no separate affiliation with either the Licensor or Licensee or their respective affiliates. The cost and expense of the study will be borne by the Licensee. Licensee will commission and manage the study, and will own the data from the study, provided it will provide such data to Licensor and such data will be considered Licensed Technology licensed to Licensee under Section 2.1 of the License Agreement.



**Exhibit 2 to  
Amendment to Amended and Restated Patent  
and Technology License Agreement**

**PROMISSORY NOTE**

US\$[\_\_\_\_\_]

Long Beach, California

[Note date]

FOR VALUE RECEIVED, the undersigned, BAKHU HOLDINGS, CORP., a Nevada corporation with its principal executive offices at One World Trade Center, Suite 130, Long Beach, CA 908318 (“Maker”), promises to pay to CELL SCIENCE HOLDING LTD., a limited liability company organized under the laws of the Republic of Cyprus, with its principal executive offices at Panteli Katelari 18A, Agios Ioannis, Limassol, G4 3012, Cyprus (“Payee”), in lawful money of the United States of America for payment of private debts, the principal amount of [ ] dollars (\$[\_\_\_\_\_]), together with interest (calculated on the basis of the actual number of days elapsed but computed as if each year consisted of 360 days) on the unpaid principal balance outstanding from time to time at the rate, except as otherwise provided in this Note, of [\_\_\_\_\_] percent ([\_\_\_\_\_])% per annum.

1. Payments. All unpaid principal and accrued and unpaid interest will be due and payable on or before the date that is one year from the date of this Note.

2. Time and Place of Payment. If any payment falls due on a day that is considered a legal holiday in the state of California, Maker will be entitled to delay such payment until the next succeeding regular business day, but interest will continue to accrue until the payment is in fact made. Each payment or prepayment hereon must be paid at the office of Payee set forth above or at such other place as the Payee or other holder hereof may from time to time designate in writing.

3. Prepayment. Maker reserves the right and privilege of prepaying this Note in whole or in part, at any time or from time to time, without notice, premium, charge, or penalty. Prepayments on this Note will be applied first to accrued and unpaid interest to the date of the prepayment, next to expenses for which Payee is due to be reimbursed under the terms of this Note (if any), and then to the unpaid principal balance hereof.

4. Interest Adjustment. All past-due amounts and accrued interest thereon will bear interest at nine percent (9%) per annum until paid.

5. Default.

(a) Without notice or demand (which are hereby waived), the entire unpaid principal balance of, and all accrued interest on, this Note will immediately become due and payable at the option of the holder hereof upon the occurrence of one or more of the following events of default (“Events of Default”):

(i) the failure or refusal of Maker to pay principal of or interest on this Note within 10 days of when the same becomes due in accordance with the terms hereof;

(ii) the failure or refusal of Maker punctually and properly to perform, observe, and comply with any covenant or agreement contained herein, and such failure

or refusal continues for a period of 30 days after Maker has (or, with the exercise of reasonable investigation, should have) notice thereof;

(iii) Maker: (1) becomes insolvent; (2) fails to pay its debts generally as they become due; (3) voluntarily seeks, consents to, or acquiesces in the benefit or benefits of any Debtor Relief Law (defined hereinafter); or (4) becomes a party to (or is made the subject of) any proceeding provided for by any Debtor Relief Law, other than as a creditor or claimant, that could suspend or otherwise adversely affect the Rights (defined hereinafter) of Payee granted herein (unless, in the event the proceeding is involuntary, the petition instituting the same is dismissed within 60 days of its filing). "Debtor Relief Law" means the Bankruptcy Code of the United States of America and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments, or similar Laws from time to time in effect affecting the Rights of creditors generally. "Rights" means rights, remedies, powers, and privileges. "Laws" means all applicable statutes, laws, ordinances, regulations, orders, writs, injunctions, or decrees of any state, commonwealth, nation, territory, possession, county, parish, municipality, or Tribunal. "Tribunal" means any court or governmental department, commission, board, bureau, agency, or instrumentality of the United States or of any state, commonwealth, nation, territory, possession, county, parish, or municipality, whether now or hereafter constituted and/or existing;

(iv) the failure to have discharged within a period of 30 days after the commencement thereof any attachment, sequestration, or similar proceeding against any of the assets of Maker, or the loss, theft, or destruction of, or occurrence of substantial damage to, a material part of the assets of Maker, except to the extent adequately covered by insurance; and

(v) Maker fails to pay any money judgment against it at least 10 days prior to the date on which any of Maker's assets may be lawfully sold to satisfy such judgment.

(b) If any one or more of the Events of Default specified above occur, the holder of this Note may, at its option: (i) declare the entire unpaid balance of principal of and accrued interest on this Note to be immediately due and payable without notice or demand; (ii) offset against this Note any sum or sums owed by the holder hereof to Maker; (iii) reduce any claim to judgment; (iv) foreclose all liens and security interests securing payment hereof or any part hereof; and (v) proceed to protect and enforce its rights either by suit in equity or by action of law or other appropriate proceedings, whether for the specific performance of any covenant or agreement contained in this Note, in aid of the exercise granted by this Note of any right, or to enforce any other legal or equitable right or remedy of the holder of this Note.

6. Cumulative Rights. No delay on the part of the holder of this Note in the exercise of any power or right or single partial exercise of any such power or right under this Note, or under any other instrument executed pursuant hereto will operate as a waiver thereof. Enforcement by the holder of this Note of any security for the payment hereof will not constitute any election by it of remedies so as to preclude the exercise of any other remedy available to it.

7. Collection Costs. If this Note is placed in the hands of an attorney for collection, or if it is collected through any legal proceeding at law or in equity, or in bankruptcy, receivership, or other court proceedings, Maker agrees to pay all costs of collection, including but not limited to court costs and reasonable attorney's fees of the Payee.

8. Waiver. Maker, and each surety, endorser, guarantor, and other party liable for the payment of any sums of money payable on this Note, jointly and severally, waive presentment and demand for payment, protest, and notice of protest and nonpayment, or other notice of default, except as specified herein, and agree that their liability on this Note will not be affected by any renewal or extension in the time of payment hereof, or in any indulgence, partial payment, release, or change in any security for the payment of this Note, before or after maturity, regardless of the number of such renewals, extensions, indulgences, partial payments, releases, or changes.

9. Notices. Any notice or demand given hereunder by the holder hereof will be deemed to have been given and received: (a) when actually received by Maker, if delivered in person; or (b) if deposited for two-day delivery by recognized international courier, on the earlier of the date actually received or three business days after deposited with such courier, all charges prepaid, sent to Maker at its address on the first page of this Note.

10. Successor and Assigns. All of the covenants, stipulations, promises, and agreements in this Note contained by or on behalf of Maker will bind its successors and assigns, whether so expressed or not; *provided, however*, that neither Maker nor Payee may, without the prior written consent of the other, assign any rights, powers, duties, or obligations under this Note.

11. Headings. The headings of the paragraphs of this Note are inserted for convenience only and will not be deemed to constitute a part hereof.

12. Applicable Law. This Note is being executed and delivered, and is intended to be performed, in the state of California, and the substantive laws of such state, excluding conflicts of laws provisions, will govern the validity, construction, enforcement, and interpretation of this Note except insofar as federal laws have application. Any action or proceeding to enforce this Note will be instituted in Long Beach, California, where venue will also lie.

13. No Security. This note and the obligation evidenced hereby are unsecured.

EXECUTED effective the year and date first above written.

BAKHU HOLDINGS, CORP.

By

Thomas K. Emmitt  
Chief Executive Officer

Witness:

\_\_\_\_\_

**Exhibit 3 to  
Amendment to Amended and Restated Patent  
and Technology License Agreement**

**Form of  
PATENT AND TECHNOLOGY LICENSE**

THIS PATENT AND TECHNOLOGY LICENSE, effective the \_\_\_ day of \_\_\_\_\_, 2020, (the “Effective Date”), is granted by CELL SCIENCE HOLDING LTD., a limited liability company organized and existing under the laws of the Republic of Cyprus (“Licensor”), having its principal office at Panteli Katelari 18A, Agios Ioannis, Limassol, 3012 Cyprus, exclusively to and for BAKHU HOLDINGS, CORP., a Nevada corporation (“Licensee”), having its principal office at One World Trade Center, Suite 130, Long Beach, CA 90831, United States.

WHEREAS, Licensor is the owner of the entire right, title, and interest in and to the patents and patent applications and the invention disclosed therein as set forth on the attached Schedule of Patent and Technology Rights (collectively, the “Patent and Technology Rights”);

WHEREAS, Licensor and Licensee are parties to that certain Patent and Technology License Agreement, dated December 20, 2018, which was merged with and into the Amended and Restated Patent and Technology License Agreement on December 31, 2019, and further amended by the Amendment to the Amended and Restated Patent and Technology License Agreement on September 22, 2020 (the “License Agreement”), through which Licensee could acquire the Patent and Technology Rights from Licensor; and

WHEREAS, Licensee has satisfied the terms, covenants, and conditions required by the License Agreement and Licensor to be performed, satisfied, and met by Licensee, and Licensee desires to obtain the rights and license to the Patent and Technology Rights.

NOW THEREFORE, for valuable consideration as particularly described in the License Agreement, the receipt and sufficiency of which are hereby acknowledged, Licensor grants to Licensee, free and clear of any and all liens, restrictions, claims, and encumbrances, and Licensee accepts, a fully paid, exclusive, royalty-free, perpetual, irrevocable right and license, with the right to sublicense, the Patent and Technology Rights, with full rights to export, import, make, have made and use, and sell the Licensed Science (as defined in the schedule) to the full end of the term or terms for which such Patent and Technology Rights have been or may be granted, and any reissue or reissues of such Patent and Technology Rights, in the fields of: (a) producing and manufacturing cannabis sativa and cannabinoids (collectively, “Cannabis”) and their byproducts for sale and use at retail or wholesale where permitted, including food additives, edibles, and hemp variations of the foregoing; (b) Cannabis-related research, teaching, and education for both medical and other purposes; and (c) all medical uses and applications of Cannabis, in the territory of any and all countries in the continent of North America (defined as the United States of America, Canada, and Mexico), all countries in the Caribbean Sea, and all countries north of the Panama/Columbia border (including the entire nation of Panama).

The license granted under this instrument that is not subject to an expiration term of a Patent and Technology Right will continue in perpetuity.

This instrument will be construed, interpreted, and applied in accordance with the laws of the United States and the state of California, without the application of conflicts of law principles.

\*\*\* Signature Page Follows \*\*\*

Exhibit 2 – Page 1

**IN WITNESS WHEREOF**, the parties hereto have caused their duly authorized representatives to execute this Patent and Technology License as of date first above written.

CELL SCIENCE HOLDING LTD.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Petros Charalambous, Director and Secretary

**LICENSEE:**

BAKHU HOLDINGS, CORP.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Thomas K. Emmitt, President and CEO

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## **SCHEDULE OF PATENT AND TECHNOLOGY RIGHTS**

1. For purposes of this schedule and the related Patent and Technology License, the following terms have the meanings indicated:

“Affiliate” means any business entity more than 50% owned by Licensee, any business entity that owns more than 50% of Licensee, or any business entity that is more than 50% owned by a business entity that owns more than 50% of Licensee.

“Field” means: (a) the production and manufacturing of cannabis sativa and cannabinoids (collectively, “Cannabis”) and their byproducts for sale and use at retail or wholesale where permitted, including, without limitation, food additives, edibles, and hemp variations of the foregoing; (b) Cannabis-related research, teaching, and education for both medical and other purposes; and (c) all medical uses and applications of Cannabis.

“Inventor” means Dr. Peter Whitton.

“Regulatory Approval” means the approval by the Regulatory Authority needed for a particular national jurisdiction to market, sell, and/or use the Licensed Science in a particular national, state provincial or local jurisdiction.

“Regulatory Authority” means the governmental authority responsible for granting any necessary licenses or approvals for the marketing, sale, and/or use of the Licensed Science in a particular national, state provincial or local jurisdiction.

“Sublicensee” means any person to whom an express sublicense has been granted to the Patent and Technology Rights to use and/or commercialize the Licensed Science. For clarity, a third-party wholesaler or distributor that has no significant responsibility for marketing and promotion of the Licensed Product or Licensed Service within its distribution Territory or Field (i.e., the third-party simply functions as a reseller), and that does not pay any consideration to Licensee or an Affiliate for such wholesale or distributor rights, will not be deemed a Sublicensee. This definition does not limit Licensee’s rights to grant or authorize sublicenses under the Patent and Technology License.

“Territory” means any and all countries in the continent of North America (defined as the United States of America, Canada, and Mexico), all countries in the Caribbean Sea, and all countries north of the Panama/Columbia border (including the entire nation of Panama).

“Valid Claim” means: (a) a claim of an issued and unexpired patent included within the Patent and Technology Rights unless the claim has been held unenforceable or invalid by the final, unreversed, and unappealable decision of a court or other governmental body of competent jurisdiction, has been irretrievably abandoned or disclaimed, or has otherwise been finally admitted or finally determined by the relevant governmental authority to be invalid, unpatentable, or unenforceable, whether through reissue, reexamination, disclaimer, or otherwise; or (b) a claim contemplated to be filed, or contained in a pending patent application, within the Patent and Technology Rights to the extent the claim continues to be prosecuted in good faith.

2. The Patent and Technology Rights include all of the following:

(a) all patents and patent applications (including provisional applications) consisting of:

<b>Application No.</b>	<b>Title</b>	<b>Filing Date</b>	<b>Jurisdiction</b>
1717554.8	A Method of Production of Phytocannabinoids for use in Medical Treatments	10/25/2017	United Kingdom
16/290,708	A Method of Production of Phytocannabinoids for use in Medical Treatments	3/1/2019	United States
2018/077149	A Method of Production of Phytocannabinoids for use in Medical Treatments	10/5/2018	Patent Cooperation Treaty

(b) all patent applications filed either from such patents or patent applications or from an application claiming priority from either of these, including continuations, continuations-in-part, divisionals, converted provisionals, continued prosecution applications, and substitute applications;

(c) all non-provisional patent applications that claim priority to any of the provisional applications listed above, provided that the claims of such non-provisional applications are entitled to claim priority to such provisional applications;

(d) all divisionals, continuations, and continuations-in-part of the non-provisional patent applications identified in (a), (b), and (c) above, provided that the claims of such continuations-in-part are entitled to claim priority to at least one of the patent applications identified in (a) or (b) above;

(e) all reissues, reexaminations, extensions, and foreign counterparts of any of the patents or patent applications identified in (a), (b), (c), or (d) above;

(f) any patents that issue with respect to any of the patent applications listed in (a), (b), (c), (d), or (e), any and all extensions or restorations by existing or future extension or restoration mechanisms, including adjustments, revalidations, renewals, reissues, reexaminations, and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications in (a), (b), (c), (d), or (e);

(g) any similar rights, including so-called pipeline protection, or any importation, revalidation, confirmation, or introduction patent or registration patent or patents of addition to any of such foregoing patents or patent applications; and

(h) any other patents and patent applications that dominate the foregoing patents.

2. All “Technical Information,” consisting of Licensor’s rights in technical information, Know-how, processes, procedures, compositions, devices, methods, formulas, protocols, techniques, designs, drawings, or data created by Inventor within the Field which are not covered by a Valid Claim, but which are necessary for practicing inventions claimed in patents and/or patent pending listed in the





definition of Patent and Technology Rights. Without limitation, the parties expressly agree that the definition of Technology Information is to include all trade secrets developed by the Inventor, other inventors and other parties under their direction.

3. All “Improvements,” consisting of all of the following to the extent made, licensed, or acquired by Licensor during the term of the Amended and Restated Patent and Technology License Agreement: (a) an improvement upon or modification to the inventions and discoveries disclosed or claimed in any of the Patent and Technology Right, including any improved, redesigned, or modified version of the Licensed Product or Licensed Service; (b) an improvement upon or modification to any of the Technology Rights, including without limitation changes to any of or additions to the production processes; or (c) the use, without substantial modification, of Licensed Product or Licensed Service to perform a function not initially intended for it.

4. All “Licensed Process,” consisting of a method or process whose practice or use is covered by a Valid Claim and/or incorporates or uses a claim in any of the Patent and Technology Rights or a method in any of the Technology Rights.

5. All “Licensed Product,” consisting of any product or component: (a) the manufacture, use, sale, offer for sale, or import of which is covered by a Valid Claim, and/or incorporates or uses a claim in any of the Patent and Technology Rights or a method in any of the Technology Rights; or (b) that is made using a Licensed Process.

6. All “Licensed Science,” consisting of anything and everything encompassed by the Licensed Process, the Licensed Product, and the Licensed Service collectively.

7. All “Licensed Service,” consisting of a service using a Licensed Product or the practice of a Licensed Process. For clarity, nonprofit research and development of Licensed Products by Licensee and its Affiliates or Sublicensees do not constitute a Licensed Service.

8. All “Know-how” consisting of any nonpublic information, ideas, data, inventions, works of authorship, trade secrets, technology, or materials, including formulations, molecules, assays, reagents, compounds, compositions, human or animal tissue, samples or specimens, and combinations or components thereof, whether or not proprietary or patentable, and whether stored or transmitted in oral, documentary, electronic, or other form, including all documents required by any Regulatory Authority or for Regulatory Approval. Know-how also includes all unpatented information and data that are, as of the Effective Date or become during the Amended and Restated Patent and Technology License Agreement term controlled by Licensor, including discoveries, Improvements, processes, formulas, inventions, and trade secrets, to the extent necessary or useful for the development, manufacture, and commercialization of Licensed Product. Know-how does not include any Patent and Technology Rights. Know-how also includes, other than marketing rights and marketing approvals transferred to Licensee, all marketing authorizations and marketing approvals granted by Regulatory Authorities to Licensor for the marketing of Licensed Products in the Territory, which will be deemed to be embodiments of data and Know-how.

9. All “Technology Rights,” consisting of Licensor’s rights in Technical Information, Know-how, processes, procedures, compositions, devices, methods, formulas, protocols, techniques, designs, drawings, or data created by Inventor within the Field that are not covered by a Valid Claim, but which are necessary for practicing inventions claimed in patents and/or patents pending listed in the definition of Patent and Technology Rights. Without limitation, the parties expressly agree that the definition of Technology Rights is to include all trade secrets developed by the Inventor, other inventors and other parties under their direction.

## AGREEMENT, ASSIGNMENT, WAIVER AND ESTOPPEL

This Agreement, Assignment, Waiver and Estoppel (the “Agreement”) is entered into as of September 22, 2020 (the “Effective Date”), by and among:

PETER WHITTEN, an individual residing in the United Kingdom (“**Whitton**”);

MENTONE, LTD., a corporation organized under the laws of England and Wales (“**Mentone**”);

CELL SCIENCE HOLDING LTD., a limited liability company organized under the laws of the Republic of Cyprus (“**Cell Science**”), and its stockholder of record, Evripides Drakos, as trustee (“**Drakos**”), and the beneficial owners of the stock held in trust by Drakos, namely INTER-M-TRADERS FZ LLC, a company organized under the laws of the Republic of Cyprus (40%) (“**Inter-M**”), THE OZ CORPORATION, a California corporation (30%) (“**OZ**”), and Mentone (30%); and

BAKHU HOLDINGS, CORP., a Nevada corporation (“**Bakhu**”), and its direct and indirect principal and controlling stockholders, namely Cell Science and its stockholders.

### RECITALS

A. Whitton is the sole inventor of the Method of Production of Phytocannabinoids for use in Medical Treatments” for which he filed United Kingdom patent application no. 1717554.8 on October 25, 2017, together with related know-how and proprietary information described on Appendix A attached hereto and incorporated herein by reference (collectively, the “Intellectual Property”).

B. Whereas, on October 25, 2017 Whitton executed and recorded an Assignment (the “2017 Assignment”), under which Whitton as the owner of the invention titled “A Method of Production of Phytocannabinoids for Use in Medical Treatment”, as described in United Kingdom patent application no. 1717554.8, assigned to Mentone, all rights including but not limited to the right to obtain patent protection for the invention in the United Kingdom and overseas.

C. Whereas, on July 5, 2018, Mentone, Cell Science and Inter-M, entered into and recorded a Deed (the “2018 Deed”) under which Mentone assigned to Cell Science, all right, title and interest in and to the United Kingdom patent application no. 1717554.8 filed on October 25, 2017 titled “A Method of Production of Phytocannabinoids for Use in Medical Treatment.”

D. Whereas, 2018 Deed states that Mentone agreed to assign the patent under the 2018 Deed pursuant to the JV Agreement between Inter-M and Mentone dated December 22, 2017 (the “JV Agreement”).

E. Whereas, Section 2.1 of the 2018 Deed references that the assignment is pursuant to the for consideration set out in the JV Agreement and subject to Section 5 of the 2018 Deed which provides that Mentone has a right of reversion in the event of certain events and in the event of default by Inter-M under the JV Agreement.

F. Whereas, on October 5, 2018, Cell Science filed PCT (Patent Cooperation Treaty) application No. 2018/077149 relating to United Kingdom patent application no. 1717554.8, and the invention titled A Method of Production of Phytocannabinoids for Use in Medical Treatment.

G. Whereas, on December 20, 2018, Cell Science and Bakhu are parties to that certain Patent and Technology License Agreement, dated December 20, 2018, which on December 31, 2019, was merged with and into the Amended and Restated Patent and Technology License Agreement (the “Restated License”), which in turn was amended by that certain Amendment to the Restated License (collectively, the “Amended Restated License”). Pursuant to the Amended Restated License, Cell Science granted to Bakhu, free and clear of any and all liens, restrictions, claims, and encumbrances, a fully paid, exclusive, royalty-free, perpetual, irrevocable right and license, with the right to sublicense, the Intellectual Property in the fields of: (a) producing and manufacturing cannabis sativa and cannabinoids (collectively, “Cannabis”) and their byproducts for sale and use at retail or wholesale where permitted, including food additives, edibles, and hemp variations of the foregoing; (b) Cannabis-related research, teaching, and education for both medical and other purposes; and (c) all medical uses and applications of Cannabis, in the territory of any and all countries in the continent of North America (defined as the United States of America, Canada, and Mexico), all countries in the Caribbean Sea, and all countries north of the Panama/Columbia border (including the entire nation of Panama), all on the terms and subject to the conditions set forth in the Amended Restated License (collectively, the “Bakhu Licensed Technology”).

H. Whereas, in consideration of the Amended Restated License and the Bakhu Licensed Rights, on December 20, 2018, Bakhu agreed to issue to Cell Science 210,000,000 shares of Bakhu common stock to be held, subject to possible adjustment and return as provided in the Amended Restated License.

I. Whereas, on February 26, 2019, Whitton executed a Worldwide Assignment (the “2019 Assignment”) under which Whitton confirmed the prior assignment of patent application no. 1717554.8, and further assigned to Cell Science, all right, title and interest in and to United States patent application no. 16/290,708, filed on March 1, 2019.

J. Whereas, the parties desire to ratify, acknowledge and confirm: (1) the assignment of the Intellectual Property by Whitton and Mentone to Cell Science, (2) that Cell Science is the sole ownership of the Intellectual Property, and (3) the license by Cell Science, as Licensor of the Intellectual Property and the Bakhu Licensed Technology, to Bakhu, as licensee, pursuant to the Amended Restated License.

## AGREEMENT

NOW, THEREFORE, upon the foregoing premises which are incorporated herein by reference, and for valuable consideration, the receipt and sufficient of which is acknowledged, it is hereby agreed as follows:

### **1. Agreement, Waiver, Assignment and Estoppel by Mentone and Whitton.**

1.1 Mentone and Whitton hereby confirm and agree that pursuant to the 2017 Assignment, the 2018 Deed and the 2019 Assignment (collectively the “Prior Assignments”), they have transferred, conveyed and assigned, to Cell Science, and by way of further assurance pursuant to this Agreement, do hereby transfer, convey and assign to Cell Science, any and all of their respective rights, title and interest, worldwide, in and to the Intellectual Property.

1.2 Notwithstanding the terms and provisions as set forth in the Prior Assignments, any agreement executed pursuant to the Prior Assignments, the JV Agreement or any other agreement by and between Inter-M, Cell Science, Mentone or Whitton, to the contrary, Mentone, and Whitton hereby waive any breach or default under the Prior Assignments, any agreement

executed pursuant to the Prior Assignments or the JV Agreement, and waive any right of reversion or other claim to regain any right, title or interest in the Intellectual Property.

1.3 Mentone and Whitton hereby certify to Inter-M, Cell Science, Bakhu, and their stockholders and respective successors and assigns, that (a) there is no existing default or unfulfilled obligations on the part of Inter-M or Cell Science under the Prior Assignments, any agreement executed pursuant to the Prior Assignments, the JV Agreement or any other agreement by and between the parties; (b) the Intellectual Property is owned and enjoyed by Cell Science absolutely, free and clear of any right of reversion or any other claim; (c) there are no actions, voluntary or involuntary, pending against Mentone or Whitton under the bankruptcy laws of the United States or equivalent laws of any foreign jurisdiction, for debtor relief, and (d) that there are no existing, pending or threatened lawsuits by or between Mentone, Whitton, Inter-M, or Cell Science affecting the Intellectual Property.

## **2. Agreement, Waiver and Estoppel by Inter-M and Cell Science.**

2.1 Intern-M and Cell Science hereby certify to Bakhu, and its stockholders, successors and assigns, that Cell Science is the sole, absolute owner of the Intellectual Property, free and clear of any right of reversion or any other claims or licenses that would be adverse to the license granted to Bakhu.

2.2 Intern-M and Cell Science further certify to Bakhu, and its stockholders, successors and assigns, that (a) the Amended Restated License is not in default and is valid and in full force and effect on the date hereof and has not been further amended, modified, supplemented, extended, renewed or assigned by Intern-M or Cell Science; (b) the Amended Restated License represents the entire agreement between Cell Science and Bakhu with regard to the license of the Bakhu Licensed Technology on the date hereof; (c) on the date hereof there is no existing default or unfulfilled obligations on the part of Bakhu in any of the terms and conditions of the Amended Restated License, (d) there are no actions, voluntary or involuntary, pending against Inter-M or Cell Science under the bankruptcy laws of the United States or equivalent laws of any foreign jurisdiction, for debtor relief, (e) there are no existing, pending or threatened lawsuits by or between Inter-M, Cell Science, Mentone or Whitton affecting the Intellectual Property, and (f) there are no existing, pending or threatened lawsuits by or between Cell Science and Bakhu relating directly or indirectly to the Amended Restated License, to use the Bakhu Licensed Technology.

## **3. Agreement, Waiver and Estoppel by Bakhu.**

3.1 Bakhu hereby confirms and agrees that Cell Science is the sole, absolute owner of the Intellectual Property and Bakhu Licensed Technology that are the subject of the Amended Restated License, subject only the rights granted to Bakhu under the Amended Restated License in the field and the territory described therein.

3.2 Bakhu further certifies to Cell Science, and its successors and assigns, that (a) the Amended Restated License is not in default and is valid and in full force and effect on the date hereof; (b) the Amended Restated License represents the entire agreement between Cell Science and Bakhu with regard to the license of the Bakhu Licensed Technology on the date hereof; (c) on the date hereof there is no existing default or unfulfilled obligations on the part of Cell Science in any of the terms and conditions of the Amended Restated License, (d) there are no actions, voluntary or involuntary, pending against Bakhu under the bankruptcy laws of the United States or equivalent laws of any foreign jurisdiction, for debtor relief, (e) there are no existing, pending



or threatened lawsuits by or between Bakhu and Cell Science relating directly or indirectly to the Amended Restated License, and license to use the Bakhu Licensed Technology.

4. **Representations of Mentone and Whitton.** Each of Mentone, and Whitton, respectively represent and warrant to Inter-M, Cell Science and Bakhu, as follows.

4.1 **Organization and Power.** Mentone is a corporation duly organized, validly existing and in good standing under the laws of England and Wales.

4.2 **Directors and Stockholders.** Whitton, Geoffrey Dixon and Karl Watkin are all of the directors of Mentone, each of whom has been duly elected and qualified, and together own, beneficially and of record, all of the outstanding voting equity securities of Mentone, free and clear of any claims, restrictions or encumbrances.

4.3 **Authorization; No Breach; Valid and Binding Agreement.**

(a) Each of Mentone and Whitton had full power and authority to execute and deliver all Prior Assignments, any agreement executed pursuant to the Prior Assignments or any other agreement by and between the parties.

(b) Each of Mentone and Whitton has full power and authority to execute and enter into, this Agreement, and to consummate the transactions contemplated by this Agreement. This Agreement is a legal, valid and binding agreement of Mentone and Whitton enforceable against them in accordance with its terms, subject to the laws of bankruptcy, insolvency and moratorium and other laws or equitable principles generally affecting creditors' rights. Mentone has obtained approval by its Directors for the execution of this Agreement and the consummation of the transactions contemplated hereby. Other than the approved and consent of Whitton and the directors of Mentone, no consent, authorization, order or approval is required in connection with the execution and delivery of this Agreement, by Mentone and Whitton.

(c) The execution, delivery, and performance by Mentone and Whitton, of this Agreement will not violate, conflict with, result in any breach of, or constitute a default under (i) Mentone's organizational documents, or (ii) any law or (iii) result in the imposition of any lien of claim against the Intellectual Property.

5. **Representations of Inter-M and Cell Science.** Each of Inter-M and Cell Science, respectively represent and warrant to Mentone, Whitton and Bakhu, as follows:

5.1 **Organization and Power.** Inter-M is a company duly organized, validly existing and in good standing under the laws of the Republic of Cyprus. Cell Science is a corporation duly organized, validly existing and in good standing under the laws of the Republic of Cyprus.

5.2 **Directors and Stockholders.** Petros Charalambous is the sole director and Secretary of Cell Science, and has been duly elected and qualified. Drakos holds of record all of the outstanding voting equity securities of Cell Science in trust for all of the beneficial owners, namely Inter-M (40%), OZ (30%), and Mentone (30%), free and clear of any and all claims, restrictions or encumbrances.

5.3 Authorization; No Breach; Valid and Binding Agreement.

(a) Each of Inter-M and Cell Science had full power and authority to execute and deliver all Prior Assignments, any agreement executed pursuant to the Prior Assignments or any other agreement by and between the parties.

(b) Each of Inter-M and Cell Science has full power and authority to execute and enter into, this Agreement, and to consummate the transactions contemplated by this Agreement. This Agreement is a legal, valid and binding agreement of Inter-M and Cell Science enforceable against them in accordance with its terms, subject to the laws of bankruptcy, insolvency and moratorium and other laws or equitable principles generally affecting creditors' rights. Each of Inter-M and Cell Science has obtained approval by its Directors for the execution of this Agreement and the consummation of the transactions contemplated hereby. Other than the approved and consent of their Directors, no consent, authorization, order or approval is required in connection with the execution and delivery of this Agreement, by Inter-M and Cell Science.

(c) The execution, delivery, and performance by Inter-M and Cell Science of this Agreement will not violate, conflict with, result in any breach of, or constitute a default under (i) their respective organizational documents, or (ii) any law or (iii) result in the imposition of any lien of claim against the Intellectual Property.

6. **Representations of Bakhu.** Bakhu represents and warrants to Inter-M, Cell Science, Mentone and Whitton, as follows.

6.1 Organization and Power. Bakhu is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada.

6.2 Authorization; No Breach; Valid and Binding Agreement.

(a) Bakhu had full power and authority to execute and deliver the Amended Restated License.

(b) Bakhu has full power and authority to execute and enter into, this Agreement, and to consummate the transactions contemplated by this Agreement. This Agreement is a legal, valid and binding agreement of Bakhu enforceable against Bakhu in accordance with its terms, subject to the laws of bankruptcy, insolvency and moratorium and other laws or equitable principles generally affecting creditors' rights. Bakhu has obtained approval by its Board of Directors for the execution of this Agreement and the consummation of the transactions contemplated hereby. Other than the approved and consent of its Board of Directors, no consent, authorization, order or approval is required in connection with the execution and delivery of this Agreement, by Bakhu.

(c) The execution, delivery, and performance by Inter-M and Cell Science of this Agreement will not violate, conflict with, result in any breach of, or constitute a default under (i) their respective organizational documents, or (ii) any law or (iii) result in the imposition of any lien of claim against the Intellectual Property.

7. **Agreements and Acknowledgments of Non-Bakhu Parties.** All parties to this Agreement other than Bakhu (jointly and severally, the "Non-Bakhu Parties") further covenant, agree and acknowledge as follows:





7.1 Release. The Non-Bakhu Parties, on behalf of themselves and their predecessors, successors, assigns, officers, directors, managers, shareholders, agents, trust beneficiaries, trustees, and representatives, and each of them, hereby release and discharge Bakhu, and its officers, directors, shareholders, attorneys, employees, and representatives (collectively the “Bakhu Releasees”) from any and all claims to ownership to the Intellectual Property and the Bakhu Licensed Technology, or any part thereof, based on any claims or causes of action, known or unknown, suspected or unsuspected, and in whatever legal theory or form, at law or in equity, that the Non-Bakhu Parties may now have or may hereafter accrue, arising from, out of, or in any way connected with all prior assignments, transfers, conveyances, recordings, negotiations, courses of dealing, duties, representations, expectations, agreements, arrangements, or transactions between the parties involving legal or equitable ownership of the Intellectual Property and the Bakhu Licensed Technology, or any interest therein, including any act or failure to act or statement or omission by Bakhu or that otherwise exist as of the date of this Agreement, saving and excepting only claims for the full and complete recovery and collection of consideration that passed or was by agreement to pass from any Non-Bakhu Party to another Non-Bakhu Party to induce any transfer of any right to the Intellectual Property, the Bakhu Licensed Technology or related technology. In no case shall any claim for failure or lack of consideration impair or affect in any matter whatsoever the validity of any underlying transfer or conveyance.

7.2 Challenges Prohibited. If any Non-Bakhu Party in any manner, directly or indirectly, attempts to contest or oppose the validity of any purported transfer by them or on their behalf any other Non-Bakhu Party or the Bakhu or commences or prosecutes any legal proceedings to challenge the validity of this Agreement, then in such event such Non-Bakhu Party that takes such action or position shall forfeit its or his share of any consideration that has passed or is yet to pass in consideration of any related conveyance of the Intellectual Property, the Bakhu Licensed Technology or any interest therein.

7.3 Special Acknowledgment. Each Non-Bakhu Party acknowledge that Bakhu is a publicly held corporations with a class of equity securities registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) with an active public trading market for its common stock. The representations, warranties, covenants, agreements, releases, and waivers set forth in this Agreement are being reasonably relied on by Bakhu in its reports and registration statements filed and to be filed with the Securities and Exchange Commission under the Exchange Act and the Securities Act of 1933, as amended (the “Securities Act”), and in releasing information that may be reasonably relied on by public members of the investment community. Further, each Non-Bakhu Party expects to receive direct or indirect financial benefits resulting from the Non-Bakhu Party’s direct or indirect ownership of Bakhu common stock, interests therein, or the proceeds therefrom. Under the Exchange Act and the Securities Act, each Non-Bakhu Party may be deemed to be in “control” of Bakhu, as the term “control” is defined under the Exchange Act and the Securities Act, because such Non-Bakhu Party has or shares, directly or indirectly, alone or with others, investment or voting power over 10% or more of the voting securities of Bakhu. As a result of the financial benefits to be derived by each Non-Bakhu party and its or his control relationship with Bakhu, each Non-Bakhu Party may be deemed liable to third parties and regulatory authorities for Bakhu’s violations of the Exchange Act or the Securities Act.

8. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

9. **Governing Law; Venue.** This Agreement shall be construed and enforced in accordance with and governed by the laws of California (without giving effect to any conflicts or choice of laws provisions thereof that would cause the application of the domestic substantive laws of any other jurisdiction).

10. **Jurisdiction; Venue.** Each of the parties hereto hereby consents to the jurisdiction of all state and federal courts located in Los Angeles, California, as well as to the jurisdiction of all courts to which an appeal may be taken from such courts, for the purpose of any suit, action, or other proceeding arising out of, or in connection with, this Agreement or any of the transactions contemplated hereby, including any proceeding relating to ancillary measures in aid of arbitration, provisional remedies, and interim relief, or any proceeding to enforce any arbitral decision or award. Each party hereby expressly waives any and all rights to bring any suit, action, or other proceeding in or before any court or tribunal other than the courts described above and covenants that it shall not seek in any manner to resolve any dispute other than as set forth in this section, or to challenge or set aside any decision, award, or judgment obtained in accordance with the provisions hereof.

11. **Waivers of Jury Trial.** To the fullest extent permitted by applicable law the parties hereby irrevocably and unconditionally waives trial by jury in any legal action or proceeding relating to this Agreement, or any of the transactions contemplated hereby, and any counterclaim therein. For purposes of this Agreement, "Proceeding" includes any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened, or completed proceeding, whether brought by or in the right of any party or otherwise and whether civil, criminal, administrative, or investigative, in which a party was, is, or will be involved as a party or otherwise.

12. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Agreement.

13. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format (.pdf), DocuSign or other electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement.

\*\*\* Signature Page Follows \*\*\*

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**IN WITNESS WHEREOF**, this Agreement has been duly executed and delivered by a duly authorized representative of each of the Parties, effective as of the Effective Date first above written.

**Inter-M Traders FZ LLC**

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: Petros Charalambous  
Title: Director and Secretary

**Cell Science Holding Ltd.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: Petros Charalambous  
Title: Director and Secretary

**Dr. Peter Whitton**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Peter Whitton, individually

**Mentone Ltd.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: Peter Whitton  
Title: Director of Mentone Ltd.

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: Geoffrey Dixon  
Title: Director of Mentone Ltd.

**Bakhu Holdings, Corp.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: Thomas K. Emmitt  
Title: President

**The OZ Corporation**

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: John R. Munoz  
Title: President



**DESCRIPTION OF  
INTELLECTUAL PROPERTY**

1. For purposes of this Appendix A, the following terms have the meanings indicated:

“Affiliate” means any business entity more than 50% owned by Licensee, any business entity that owns more than 50% of Licensee, or any business entity that is more than 50% owned by a business entity that owns more than 50% of Licensee.

“Field” means: (a) the production and manufacturing of cannabis sativa and cannabinoids (collectively, “Cannabis”) and their byproducts for sale and use at retail or wholesale where permitted, including, without limitation, food additives, edibles, and hemp variations of the foregoing; (b) Cannabis-related research, teaching, and education for both medical and other purposes; and (c) all medical uses and applications of Cannabis.

“Inventor” means Dr. Peter Whitton.

“Regulatory Approval” means the approval by the Regulatory Authority needed for a particular national jurisdiction to market, sell, and/or use the Licensed Science in a particular national jurisdiction.

“Regulatory Authority” means the governmental authority responsible for granting any necessary licenses or approvals for the marketing, sale, and/or use of the Licensed Science in a particular national jurisdiction.

“Sublicensee” means any person to whom an express sublicense has been granted to the Patent and Technology Rights to use and/or commercialize the Licensed Science. For clarity, a third-party wholesaler or distributor that has no significant responsibility for marketing and promotion of the Licensed Product or Licensed Service within its distribution Territory or Field (i.e., the third-party simply functions as a reseller), and that does not pay any consideration to Licensee or an Affiliate for such wholesale or distributor rights, will not be deemed a Sublicensee. This definition does not limit Licensee’s rights to grant or authorize sublicenses under the Patent and Technology License.

“Territory” means any and all countries in the continent of North America (defined as the United States of America, Canada, and Mexico), all countries in the Caribbean Sea, and all countries north of the Panama/Columbia border (including the entire nation of Panama).

“Valid Claim” means: (a) a claim of an issued and unexpired patent included within the Patent and Technology Rights unless the claim has been held unenforceable or invalid by the final, unreversed, and unappealable decision of a court or other governmental body of competent jurisdiction, has been irretrievably abandoned or disclaimed, or has otherwise been finally admitted or finally determined by the relevant governmental authority to be invalid, unpatentable, or unenforceable, whether through reissue, reexamination, disclaimer, or otherwise; or (b) a claim contemplated to be filed, or contained in a pending patent application, within the Patent and Technology Rights to the extent the claim continues to be prosecuted in good faith.

2. The Patent and Technology Rights include all of the following:

(a) all patents and patent applications (including provisional applications) consisting of:

<b>Application No.</b>	<b>Title</b>	<b>Filing Date</b>	<b>Jurisdiction</b>
1717554.8	A Method of Production of Phytocannabinoids for use in Medical Treatments	10/25/2017	United Kingdom
16/290,708	A Method of Production of Phytocannabinoids for use in Medical Treatments	3/1/2019	United States
2018/077149	A Method of Production of Phytocannabinoids for use in Medical Treatments	10/5/2018	Patent Cooperation Treaty

(b) all patent applications filed either from such patents or patent applications or from an application claiming priority from either of these, including continuations, continuations-in-part, divisionals, converted provisionals, continued prosecution applications, and substitute applications;

(c) all non-provisional patent applications that claim priority to any of the provisional applications listed above, provided that the claims of such non-provisional applications are entitled to claim priority to such provisional applications;

(d) all divisionals, continuations, and continuations-in-part of the non-provisional patent applications identified in (a), (b), and (c) above, provided that the claims of such continuations-in-part are entitled to claim priority to at least one of the patent applications identified in (a) or (b) above;

(e) all reissues, reexaminations, extensions, and foreign counterparts of any of the patents or patent applications identified in (a), (b), (c), or (d) above;

(f) any patents that issue with respect to any of the patent applications listed in (a), (b), (c), (d), or (e), any and all extensions or restorations by existing or future extension or restoration mechanisms, including adjustments, revalidations, renewals, reissues, reexaminations, and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications in (a), (b), (c), (d), or (e);

(g) any similar rights, including so-called pipeline protection, or any importation, revalidation, confirmation, or introduction patent or registration patent or patents of addition to any of such foregoing patents or patent applications; and

(h) any other patents and patent applications that dominate the foregoing patents.

3. All “Technical Information,” consisting of Licensor’s rights in technical information, Know-how, processes, procedures, compositions, devices, methods, formulas, protocols, techniques, designs, drawings, or data created by Inventor within the Field which are not covered by a Valid Claim, but which are necessary for practicing inventions claimed in patents and/or patent pending listed in the definition of Patent and Technology Rights. Without limitation, the parties expressly agree that the definition of

Technology Information is to include all trade secrets developed by the Inventor, other inventors and other parties under their direction.

4. All “Improvements,” consisting of all of the following to the extent made, licensed, or acquired by Licensor during the term of the Amended and Restated Patent and Technology License Agreement: (a) an improvement upon or modification to the inventions and discoveries disclosed or claimed in any of the Patent and Technology Right, including any improved, redesigned, or modified version of the Licensed Product or Licensed Service; (b) an improvement upon or modification to any of the Technology Rights, including without limitation changes to any of or additions to the production processes; or (c) the use, without substantial modification, of Licensed Product or Licensed Service to perform a function not initially intended for it.

5. All “Licensed Process,” consisting of a method or process whose practice or use is covered by a Valid Claim and/or incorporates or uses a claim in any of the Patent and Technology Rights or a method in any of the Technology Rights.

6. All “Licensed Product,” consisting of any product or component: (a) the manufacture, use, sale, offer for sale, or import of which is covered by a Valid Claim, and/or incorporates or uses a claim in any of the Patent and Technology Rights or a method in any of the Technology Rights; or (b) that is made using a Licensed Process.

7. All “Licensed Science,” consisting of anything and everything encompassed by the Licensed Process, the Licensed Product, and the Licensed Service collectively.

8. All “Licensed Service,” consisting of a service using a Licensed Product or the practice of a Licensed Process. For clarity, nonprofit research and development of Licensed Products by Licensee and its Affiliates or Sublicensees do not constitute a Licensed Service.

9. All “Know-how” consisting of any nonpublic information, ideas, data, inventions, works of authorship, trade secrets, technology, or materials, including formulations, molecules, assays, reagents, compounds, compositions, human or animal tissue, samples or specimens, and combinations or components thereof, whether or not proprietary or patentable, and whether stored or transmitted in oral, documentary, electronic, or other form, including all documents required by any Regulatory Authority or for Regulatory Approval. Know-how also includes all unpatented information and data that are, as of the Effective Date or become during the Amended and Restated Patent and Technology License Agreement term controlled by Licensor, including discoveries, Improvements, processes, formulas, inventions, and trade secrets, to the extent necessary or useful for the development, manufacture, and commercialization of Licensed Product. Know-how does not include any Patent and Technology Rights. Know-how also includes, other than marketing rights and marketing approvals transferred to Licensee, all marketing authorizations and marketing approvals granted by Regulatory Authorities to Licensor for the marketing of Licensed Products in the Territory, which will be deemed to be embodiments of data and Know-how.

10. All “Technology Rights,” consisting of Licensor’s rights in Technical Information, Know-how, processes, procedures, compositions, devices, methods, formulas, protocols, techniques, designs, drawings, or data created by Inventor within the Field that are not covered by a Valid Claim, but which are necessary for practicing inventions claimed in patents and/or patents pending listed in the definition of Patent and Technology Rights. Without limitation, the parties expressly agree that the definition of Technology Rights is to include all trade secrets developed by the Inventor, other inventors and other parties under their direction.



## INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this “Agreement”) is entered into effective as of [ \_\_\_\_\_ ] (the “Effective Date”), by and between **Bakhu Holdings, Corp.**, a Nevada corporation (the “Corporation”), and \_\_\_\_\_ (the “Indemnitee”).

### Premises

A. The Amended and Restated Articles of Incorporation of the Corporation (the “Articles”) and the Bylaws (the “Bylaws”) provide for indemnification of the Corporation’s directors and officers to the fullest extent permitted by any applicable and controlling Nevada law, statute, rule, decision, or finding (collectively, “Nevada Law”) and contemplate that contracts and other arrangements may be entered into respecting indemnification of officers and directors.

B. The parties recognize the difficulty in obtaining liability insurance for the Corporation’s directors, officers, employees, stockholders, controlling persons, agents, and fiduciaries, the significant increases in the cost of such insurance, and the general reductions in the coverage of such insurance. Furthermore, the parties further recognize the substantial increase in corporate litigation in general, subjecting directors, officers, employees, controlling persons, stockholders, agents, and fiduciaries to expensive litigation risks at the same time as the availability and coverage of liability insurance have been severely limited.

C. Indemnitee does not regard the current protection available under the Articles, Bylaws, and insurance as adequate under the present circumstances, and Indemnitee and other directors, officers, employees, stockholders, controlling persons, agents, and fiduciaries of the Corporation may not be willing to serve in such capacities without additional protection. Moreover, the Corporation desires to attract and retain the involvement of highly qualified persons, such as Indemnitee, to serve the Corporation and, in part, in order to induce Indemnitee to be involved with the Corporation, wishes to: (i) provide for the indemnification and advancing of expenses to Indemnitee to the maximum extent permitted by law, and (iii) assure Indemnitee that there will be increased certainty of adequate protection in the future.

D. In addition to any insurance purchased by the Corporation on behalf of Indemnitee, it is reasonable, prudent, and necessary for the Corporation to obligate itself contractually to indemnify Indemnitee so that he may remain free from undue concern that he will not be adequately protected both during his service as an executive officer and a director of the Corporation and following any termination of such service.

E. This Agreement is a supplement to and in furtherance of the Articles and Bylaws and shall not be deemed a substitute therefor or to abrogate any rights of Indemnitee thereunder.

F. The directors of the Corporation have duly approved this Agreement and the indemnification provided herein with the express recognition that the indemnification arrangements provided herein exceed that which the Corporation would be required to provide pursuant to Nevada Law.

### Agreement

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Corporation and Indemnitee do hereby covenant and agree as follows:

1. **Definitions**. As used in this Agreement:

(a) **“Control”** (including the terms “controlling,” “controlled by,” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract, or otherwise, as interpreted under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (**“Securities Exchange Act”**).

(b) **“Change in Control”** shall be deemed to have occurred if: (i) any “person” (as such term is used in Section 13(d)(3) of the Securities Exchange Act), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or a corporation owned directly or indirectly by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation: (1) that is or becomes the beneficial owner, directly or indirectly, of securities of the Corporation representing 20% or more of the combined voting power of the Corporation’s then-outstanding voting securities, increases its beneficial ownership of such securities by 5% or more over the percentage so owned by such person; or (2) becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act), directly or indirectly, of securities of the Corporation representing more than 30% of the total voting power represented by the Corporation’s then-outstanding voting securities; (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of the Corporation and any new director whose election by the board of directors or combination for election by the Corporation’s stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or (iii) the stockholders of the Corporation approve a merger or consolidation of the Corporation with any other corporation other than a merger or consolidation that would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least two-thirds of the total voting power represented by the voting securities of the Corporation or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Corporation approve a plan of complete liquidation of the Corporation or an agreement for the sale or disposition by the Corporation of (in one transaction or a series of transactions) all or substantially all of the Corporation’s assets.

(c) **“Indemnifiable Matter”** means any event, occurrence, status, or condition that takes place either prior to or after the execution of this Agreement, including any threatened, pending, or completed action, suit, proceeding, or alternative dispute resolution activity, whether brought by or in the right of the Corporation or otherwise and whether of a civil, criminal, administrative, or investigative nature, in which Indemnitee was, is, or believes he might be involved as a party, witness, or otherwise (except any of the foregoing initiated by Indemnitee pursuant to section 15 to enforce Indemnitee’s rights under this Agreement), by reason of: (i) the fact, in whole or in part, that Indemnitee is or was actually or allegedly a director, officer, agent, or advisor of the Corporation; (ii) any action actually or allegedly taken by him or of any inaction or omission on his part while acting as a director, officer, agent, or advisor of the Corporation; (iii) the registration, offer, sale, purchase, or ownership of any securities of the Corporation; (iv) any duty owed to, respecting, or in connection with the Corporation; or (v) the fact, in whole or in part, that he is or was actually or allegedly serving at the request of the Corporation as a director, officer, employee, agent, or advisor of another corporation, partnership, joint venture, trust, limited liability company, or other entity or enterprise; in each case, whether or not he is acting or serving in any such capacity at the time any loss, liability, or expense is incurred for

which indemnification or reimbursement can be provided under this Agreement and even though Indemnitee may have ceased to serve in such capacity.

(d) “**Indemnitee**” shall include the Indemnitee named in the first paragraph of this Agreement and such Indemnitee’s actual or alleged alter egos, spouse, family members, and corporations, partnerships, limited liability companies, trusts, and other enterprises or entities of any form whatsoever under the control of any of the foregoing, and the property of all of the foregoing.

(e) Except as provided in section 14, the term “**Independent Counsel**” shall mean an attorney, law firm, or member of a law firm, who (or which) is licensed to practice law in the state of Nevada and is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Corporation or Indemnitee in any other matter material to either such party; or (ii) any other party to the Indemnifiable Matter giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Corporation or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. From time to time, the Corporation may select and preapprove the names of persons or law firms that it deems qualified as Independent Counsel under the foregoing criteria. Further, at the request of Indemnitee, the Corporation shall review the qualifications and suitability under the foregoing criteria of persons or law firms selected by Indemnitee and preapprove them as Independent Counsel if they meet the foregoing criteria. An Independent Counsel that has already been preapproved by the board of directors may be appointed as Independent Counsel without any further evaluation, so long as such prospective Independent Counsel continues, as determined by the board of directors, to remain independent.

(f) “**Losses**” means: (i) any and all losses, claims, damages, expenses, liabilities, judgments, fines, penalties, and actions in respect thereof, as they are incurred, against Indemnitee in connection with an Indemnifiable Matter; (ii) amounts paid by Indemnitee in settlement of an Indemnifiable Matter; (iii) any indirect, consequential, or incidental damages suffered or incurred by Indemnitee; and (iv) all attorneys’ fees and disbursements, accountants’ fees and disbursements, private investigation fees and disbursements, retainers, court costs, payments of attachment, appeal, or other bonds or security, transcript costs, fees of experts, fees and expenses of witnesses, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses reasonably incurred by or for Indemnitee in connection with prosecuting, defending, preparing to prosecute or defend, investigating, appealing, or being or preparing to be a witness in any threatened or pending Indemnifiable Matter or establishing Indemnitee’s right or entitlement to indemnification for any of the foregoing.

(g) Reference to “**other enterprise**” shall include employee benefit plans; references to “fines” shall include any excise tax assessed with respect to any employee benefit plan; references to “serving at the request of the Corporation” shall include any service as a director, officer, employee, agent, or advisor with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Agreement.

(h) “**Substantiating Documentation**” shall mean copies of bills or invoices for costs incurred by or for Indemnitee, or copies of court or agency orders, decrees, or settlement agreements, as the case may be, accompanied by a declaration, which need not be notarized, from Indemnitee that such bills, invoices, court or agency orders, decrees, or settlement agreements represent costs or liabilities meeting the definition of “Losses” herein.

2. **Indemnity of Indemnitee.** The Corporation hereby agrees to indemnify, protect, defend, and hold harmless Indemnitee against any and all Losses incurred by reason of the fact that Indemnitee is or was a director, officer, agent, or advisor of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent, or advisor of another corporation, partnership, joint venture, trust, limited liability company, or other entity or enterprise, to the fullest extent permitted by Nevada Law. The termination of any Indemnifiable Matter by judgment, order of the court, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnitee is not entitled to indemnification, and with respect to any criminal proceeding, shall not create a presumption that such person believed that his conduct was unlawful. The indemnification provided herein shall be applicable whether or not the breach of any standard of care or duty, including a breach of a fiduciary duty, of the Indemnitee is alleged or proven, except as limited by section 3 herein. Notwithstanding the foregoing, in the case of any Indemnifiable Matter brought by or in the right of the Corporation, Indemnitee shall not be entitled to indemnification for any claim, issue, or matter as to which Indemnitee has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the Corporation or for amounts paid in settlement to the Corporation unless, and only to the extent that, the court in which the Indemnifiable Matter was brought or another court of competent jurisdiction determines, on application, that in view of all the circumstances, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

3. **Limit on Indemnification.** Notwithstanding any breach of any standard of care or duty, including breach of a fiduciary duty, by the Indemnitee, the Corporation shall indemnify Indemnitee except when a final adjudication establishes that Indemnitee’s acts or omissions involved intentional misconduct, fraud, or a knowing violation of law and were material to the cause of action.

4. **Choice of Counsel.** Indemnitee shall be entitled to employ and be reimbursed for the fees and disbursements of counsel separate from that chosen by any other person or persons whom the Corporation is obligated to indemnify with respect to the same or any related or similar Indemnifiable Matter.

5. **Losses.**

(a) Losses (other than judgments, penalties, fines, and settlements) incurred by Indemnitee shall be paid by the Corporation, in advance of the final disposition of the Indemnifiable Matter, within 10 days after receipt of Indemnitee’s written request accompanied by Substantiating Documentation.

(b) Indemnitee hereby undertakes to repay to the Corporation any advances of Losses pursuant to this Agreement to the extent that it is ultimately determined that Indemnitee is not entitled to indemnification.

6. **Officer and Director Liability Insurance.** The Corporation shall, from time to time, make the good faith determination whether or not it is practicable for the Corporation to obtain and maintain a policy or policies of insurance with reputable insurance companies providing the officers and directors of the Corporation with coverage for Losses or to ensure the Corporation’s performance of its indemnification obligations under this Agreement. Among other considerations, the Corporation will



weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. The Corporation shall consult with and be heard by Indemnitee in connection with the Corporation's actions hereunder. In all policies of director and officer liability insurance: (a) Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Corporation's directors, if Indemnitee is a director, or of the Corporation's officers, if Indemnitee is not a director of the Corporation but is an officer; and (b) the policy shall provide that it shall not be cancelled or materially modified without 30 days' prior written notice to Indemnitee. Notwithstanding the foregoing, the Corporation shall have no obligation to obtain or maintain such insurance if the Corporation determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit, or if Indemnitee is covered by similar insurance maintained by a subsidiary or parent of the Corporation.

7. **Indemnification Trust Fund or Other Financial Arrangements.** Pursuant to Nevada Revised Statutes § 78.752 or any successor Nevada Law, the Corporation may establish an indemnification trust fund or make other financial arrangements acceptable to Indemnitee for Indemnitee's benefit. Indemnitee shall be an intended third-party beneficiary of any such fund or arrangement, with the right, power, and authority of the Indemnitee to sue for, enforce, and collect the same, in the name, place, and stead of the Corporation or otherwise, for Indemnitee's benefit. Such fund or other arrangements shall be available to Indemnitee for payment of Losses upon the Corporation's failure, inability, or refusal to pay Losses incurred by the Indemnitee.

8. **Right of Indemnitee to Indemnification upon Application; Selection of Independent Counsel; Procedure upon Application.**

(a) Any application for indemnification under this Agreement, other than when Losses are paid in advance of any final disposition pursuant to section 5 hereof, shall be submitted to the board of directors. If a quorum of the board of directors were not parties to the action, suit, proceeding, or other matter, a majority of the directors who were not parties to the action, suit, proceeding, or other matter may determine whether indemnification of the applicant is not prohibited by law or may have such determination made by Independent Counsel in a written decision. If a quorum of the board directors who were not parties to the action cannot be obtained, the board of directors shall have such determination made by Independent Counsel in a written decision. Notwithstanding the foregoing, however, the board of directors may under any circumstances submit the determination of whether indemnification is proper in the circumstances to the stockholders. The board of directors shall respond to a request for indemnification or initiate the process of submitting the determination to the stockholders within 45 days after receipt by the Corporation of the written application for indemnification.

(b) If required, Independent Counsel shall be selected by the board of directors, and the Corporation shall give written notice to Indemnitee advising him of the identity of Independent Counsel so selected. Indemnitee may, within seven days after such written notice of selection shall have been given, deliver to the Corporation a written objection to such selection. Such objection may be asserted only on the ground that Independent Counsel so selected does not meet the requirements of "Independent Counsel," as defined in section 1, and the objection shall set forth with particularity the factual basis of such assertion. If such written objection is made, Independent Counsel so selected may not serve as Independent Counsel unless and until a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written objection to the Independent Counsel selected, the Corporation has failed to identify a replacement Independent Counsel, the Indemnitee may petition any court of





competent jurisdiction for resolution of any objection that shall have been made by Indemnitee to the Corporation's selection of Independent Counsel and for appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom an objection is so resolved or the person so appointed shall act as Independent Counsel. The Corporation shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with its fees and expenses incident to the procedures of this section 8 regardless of the manner in which such Independent Counsel was selected or appointed.

(c) The right to indemnification or advances as provided by this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction. The burden of proving that indemnification is not appropriate shall be on the Corporation. Neither the failure of the Corporation (including its board of directors or Independent Counsel) to have made a determination prior to the commencement of such action that indemnification is proper in the circumstances, nor an actual determination by the Corporation (including its board of directors or Independent Counsel) that indemnification is not proper in the circumstances, shall be a defense to the action, suit, proceeding, or other matter or create a presumption that indemnification is not proper in the circumstances.

9. **Notice to Insurers.** If at the time of the receipt of an application for indemnification pursuant to section 2 hereof or a request for advances of Losses pursuant to section 5 hereof, the Corporation has director and officer liability insurance in effect, the Corporation shall give prompt notice of the commencement of such Indemnifiable Matter to the insurers in accordance with the procedures set forth in the respective policies. The Corporation shall thereafter take all necessary or desirable actions to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Indemnifiable Matter in accordance with the terms of such policies.

10. **Indemnification Hereunder Not Exclusive.** The indemnification and advancement of Losses provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may be entitled under the Articles or Bylaws, Nevada Law, any policy or policies of directors' and officers' liability insurance, any other agreement, any vote of stockholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office (together, "**Other Indemnification**"). However, Indemnitee shall reimburse the Corporation for amounts paid to him under Other Indemnification and not under this Agreement in an amount equal to any payments received pursuant to such Other Indemnification, to the extent such payments duplicate any payments received pursuant to this Agreement.

11. **Continuation of Indemnity.** All agreements and obligations of the Corporation contained herein shall continue during the period Indemnitee is a director, officer, employee, agent, or advisor of the Corporation (or is or was serving at the request of the Corporation as a director, officer, employee, agent, or advisor of another corporation, partnership, joint venture, trust, limited liability company, or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any possible Indemnifiable Matter.

12. **Partial Indemnification.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Corporation for some or a portion of Losses, but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify Indemnitee for the portion of such Losses to which Indemnitee is entitled.

13. **Settlement of Claims.** The Corporation shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Indemnifiable Matter effected without



the Corporation's written consent. The Corporation shall not settle any Indemnifiable Matter in any manner that would impose any penalty or limitation on Indemnitee's rights under this Agreement without Indemnitee's written consent. Neither the Corporation nor Indemnitee will unreasonably withhold its consent to any proposed settlement. The Corporation shall not be liable to indemnify Indemnitee under this Agreement with regard to any judicial award if the Corporation was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action.

14. **Change in Control.** The Corporation agrees that if there is a Change in Control of the Corporation (other than a Change in Control that has been approved by a majority of the Corporation's board of directors who were directors immediately prior to such Change in Control), then, with respect to all matters thereafter arising concerning the rights of Indemnitee to payments of Losses under this Agreement or any other agreement, or under the Articles or Bylaws as now or hereafter in effect, independent counsel shall be selected by the Indemnitee and approved by the Corporation (which approval shall not be unreasonably withheld). Such counsel, among other things, shall render its written opinion to the Corporation and Indemnitee as to whether and to what extent Indemnitee would be permitted to be indemnified under Nevada Law as determined in accordance with section 16(d). The Corporation agrees to abide by such opinion and to pay the reasonable fees of the independent counsel referred to above and to fully indemnify such counsel against any and all expenses (including attorneys' fees), claims, liabilities, and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

15. **Enforcement.**

(a) The Corporation expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on the Corporation hereby in order to induce Indemnitee to serve as a director or officer of the Corporation, and acknowledges that Indemnitee is relying upon this Agreement in continuing as a director or officer. The Corporation shall be precluded from asserting in any action commenced pursuant to this section 15 that the procedures and presumptions in this section are not valid, binding, and enforceable and shall stipulate in any such judicial proceedings that the Corporation is bound by all of the provisions of this Agreement.

(b) In any action commenced pursuant to this section 15, Indemnitee shall be presumed to be entitled to indemnification and advancement of Losses in accordance with section 5 under this Agreement, as the case may be, and the Corporation shall have the burden of proof in overcoming such presumption and must show by clear and convincing evidence that Indemnitee is not entitled to indemnification or advancement of Losses, as the case may be.

(c) The execution of this Agreement shall constitute the Corporation's stipulation by which it shall be irrevocably bound in any action by Indemnitee for enforcement of Indemnitee's rights hereunder that the Corporation's obligations set forth in this Agreement are unique and special, and that failure of the Corporation to comply with the provisions of this Agreement will cause irreparable and immediate injury to Indemnitee, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy Indemnitee may have at law or in equity respecting a breach of this Agreement, Indemnitee shall be entitled to injunctive or mandatory relief directing specific performance by the Corporation of its obligations under this Agreement.

(d) In the event that Indemnitee shall deem it necessary or desirable to retain legal counsel and/or incur other costs and expenses in connection with the interpretation or enforcement of any or all of Indemnitee's rights under this Agreement, Indemnitee shall be



entitled to recover from the Corporation, and the Corporation shall indemnify Indemnitee against, any and all fees, costs, and expenses (of the types described in the definition of Losses in section 1(f)) incurred by Indemnitee in connection with the interpretation or enforcement of said rights. The Corporation shall make payment to the Indemnitee at the time such fees, costs, and expenses are incurred by Indemnitee. If, however, the Indemnitee does not prevail in such action under this section 15, Indemnitee shall repay any and all such amounts to the Corporation. If it shall be determined in an action pursuant to this section 15 that Indemnitee is entitled to receive part but not all of the indemnification or advancement of fees, costs, and expenses or other benefit sought, the expenses incurred by Indemnitee in connection with an action pursuant to this section 15 shall be equitably allocated between the Corporation and Indemnitee. Notwithstanding the foregoing, if a Change in Control shall have occurred, Indemnitee shall be entitled to indemnification under this section 15 regardless of whether Indemnitee ultimately prevails in such judicial adjudication or arbitration. This section 15(d) is not subject to the provisions of section 8.

16. **Miscellaneous Provisions.**

(a) **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, discussions, and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits, and schedules.

(b) **Notices.** All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (i) when delivered by hand (with written confirmation of receipt); (ii) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (iii) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid; or (iv) when delivered by facsimile with receipt confirmed by the recipient. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this section):

**If to the Corporation, addressed to:**

Bakhu Holdings Corp.  
Attn: Thomas E. Emmitt, President  
One World Trade Center, Suite 130  
Long Beach, CA 90831  
Facsimile: (310) 997-1484

**If to the Indemnitee, addressed to:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Facsimile: \_\_\_\_\_

(c) **Governing Law.** All issues and questions concerning the construction, validity, interpretation, and enforceability of this Agreement shall be governed by, and construed in accordance with, the Nevada Laws, without giving effect to any choice of law or conflict of law rules or provisions.

(d) **Jurisdiction.** Any action seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby or thereby shall be brought in and determined exclusively by the state courts in Los



Angeles County in the State of California (or in the event of exclusive federal jurisdiction, the courts of the Central District of California), and each of the parties hereby consents to the jurisdiction of such courts in any such action. In no event shall either party have any right to recover from the other party any consequential damages as to any matter under, relating to, or arising out of this Agreement or the transactions contemplated hereby.

(e) Waiver of Jury Trial. To the extent permitted by applicable law, each party hereto hereby voluntarily and irrevocably waives trial by jury in any Proceeding brought in connection with this Agreement, any of the related agreements and documents, or any of the transactions described herein or therein. For purposes of this Agreement, “Proceeding” includes any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened, or completed proceeding, whether brought by or in the right of any party or otherwise and whether civil, criminal, administrative, or investigative, in which a party was, is, or will be involved as a party or otherwise.

(f) Attorneys’ Fees. If any action at law or in equity is brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover, at trial and on appeal, reasonable attorneys’ fees, costs and disbursements in addition to any other relief that may be granted.

(g) Successors and Assigns. This Agreement shall be binding upon the Corporation and its successors and assigns, and shall inure to the benefit of Indemnitee and such Indemnitee’s actual or alleged alter egos, spouse, family members, and corporations, partnerships, limited liability companies, trusts, and other enterprises or entities of any form whatsoever under the control of any of the foregoing, the property of all of the foregoing, and the successors and assigns of all of the foregoing.

(h) Amendments; Waivers; No Additional Consideration. No provision of this Agreement may be waived or amended except in a written instrument signed by the Corporation and the Indemnitee. No waiver of any default with respect to any provision, condition, or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition, or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

(i) Construction. This Agreement shall be construed liberally in favor of the Indemnitee to the fullest extent possible under Nevada Law, even if such indemnification is not specifically authorized by this Agreement or any other agreement, the Articles or Bylaws, or by Nevada Law. In the event Nevada Law is changed after the Effective Date, through statutory amendment, judicial interpretation, administrative regulations, or otherwise, to allow additional indemnification or to remove or restrict current limitations on indemnification, this Agreement shall be deemed to be amended and reformed so that Indemnitee shall enjoy by this Agreement the greater benefits of such change. In the event of any change in Nevada Law that narrows or restricts the right of a Nevada corporation to indemnify Indemnitee, such change, to the extent not otherwise required by Nevada Law to be applied to Indemnitee in the relevant circumstances, shall have no effect on this Agreement or the rights and obligations of the parties hereunder.

(j) Mutual Acknowledgement. Both the Corporation and Indemnitee acknowledge that in certain instances, federal law or applicable public policy may prohibit the Corporation from indemnifying its directors and officers under this Agreement or otherwise. Indemnitee





understands and acknowledges that the Corporation may be required in the future to undertake with the Securities and Exchange Commission to submit the question of indemnification to a court in certain circumstances for a determination of the Corporation's right under public policy to indemnify Indemnitee.

(k) Severability. If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable: (i) the validity, legality, and enforceability of the remaining provisions of this Agreement shall not be in any way affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Agreement shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal, or unenforceable. Each section of this Agreement is a separate and independent portion of this Agreement. If the indemnification to which Indemnitee is entitled as respects any aspect of any claim varies between two or more sections of this Agreement, that section providing the most comprehensive indemnification shall apply.

(l) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format (.pdf), DocuSign, or other electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement.

(m) Independent Advice of Counsel. The parties hereto, and each of them, represent and declare that in executing this Agreement they relied solely upon their own judgment, belief, knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims, and that they have not been influenced to any extent whatsoever in executing the Agreement by any representations or statements covering any matters made by any other party or that party's representatives hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on and as of the Effective Date.

**THE CORPORATION**

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**BAKHU HOLDINGS, CORP.**

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By: Thomas K. Emmitt  
Its: President and CEO

**INDEMNITEE**

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*[Insert Name of Indemnitee]*

## ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") is made and entered into as of September 22, 2020 (the "Effective Date") by and between **The OZ Corporation**, a California corporation ("**OZC**"), with its principal place of business at One World Trade Center, Suite 130, Long Beach, California 90831, **Bakhu Holdings, Corp.**, a Nevada corporation ("**Bakhu**") with its principal place of business at One World Trade Center, Suite 130, Long Beach, CA 90831, and **Bus Dev Centre, Inc.**, a Nevada Corporation ("**BDC**"), with its principal place of business at 3960 Howard Hughes Parkway, Suite 500, Las Vegas, NV 89169.

### Recitals

A. Whereas, on December 20, 2018, Cell Science Holding Ltd. ("CSH"), as Licensor and Bakhu, as Licensee, entered into that certain Patent and Technology License Agreement (the "Original License"), which Original License was amended and restated by the Amended and Restated Patent and Technology License Agreement dated December 31, 2019 ( the "Restated License"). Pursuant to the Original License as amended and restated by the Restated License, CSH granted to Bakhu an exclusive license with respect to the use of the Licensed Science (as defined in the Restated License) and process, for (i) the production, manufacturing, and sale of Cannabis and byproducts thereof where permitted, (ii) Cannabis-related research, teaching and education for both medical and other purposes, and (iii) all medical uses and applications of Cannabis, within the Territory (as defined in the Restated License).

B. Whereas, under the Original License as amended and restated by the Restated License an "Efficacy Demonstration" of the propriety science underlying the licensed technology was required and OZC on behalf of Bakhu undertook financial, technical, or management obligations to initiate the preparation work for the Efficacy Demonstration.

C. Whereas, in furtherance of these efforts and the Efficacy Demonstration, OZC entered into that certain Research and Develop Agreement (the "R&D Agreement") with VO Leasing Corp., a California corporation ("VOLC"). VOLC is lessee of a facility located at 15614 Oxnard Avenue, Sherman Oaks, California (the "Facility") that is suitable for a laboratory to conduct research and development of cannabis cell growing and cell growth technology relating to the Efficacy Demonstration. VOLC has represented that it has all required and applicable licenses, regulatory authorizations, and consents from all governmental authorities required to conduct the proposed activities involving cannabis and cannabis components, products, or derivatives at the Facility.

D. Whereas, on August 15, 2018, as revised on August 17, 2018, OZC and BDC entered into an Agreement (the "BDC Consulting Agreement") under which BDC would provide advisory and consultancy services to OZC in furtherance of the Efficacy Demonstration, including without limitation services related to, the validation and commercialization of the Licensed Science, requirements for Bakhu to prepare a compliant sublicensing and business model, guidance for the compliant operations of a commercial facility by Bakhu, and general overview of prospective strategies in the Cannabis and CBD related industry.

E. Whereas, Bakhu, OZC, and BDC have determined that the services provided by BDC to OZC have been, and will continue to be, in furtherance of the interest of Bakhu under the Restated License Agreement, and have agreed that (i) OZC shall transfer and assign to Bakhu all rights under the BDC Consulting Agreement, (ii) Bakhu shall assume all rights and obligations to BDC under the BDC Consulting Agreement, and (iii) BDC will consents to such assignment and assumption of the BDC Consulting Agreement.



## AGREEMENT

NOW, THEREFORE, upon these premises, which are incorporated herein by this reference, and for and in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

**1. Validity and Enforcement of Agreement.** OCZ and BDC hereby agree, acknowledge and represent to Bakhu that: (a) the BDC Consulting Agreement attached hereto as **Exhibit A**, is a true, complete and correct copy of the BDC Consulting Agreement now in effect, (b) the BDC Consulting Agreement has been duly executed by OZC and BDC; (c) the BDC Consulting Agreement is valid, in full force and effect, and (d) there are no defaults under the BDC Consulting Agreement.

**2. Assignment.** OZC, hereby assigns and transfers to Bakhu all of OZC's right, title and interest in and to that certain BDC Consulting Agreement between OZC and BDC.

**3. Acknowledgment of Assumption.** Bakhu hereby accepts the foregoing assignment and assumes and agrees to be bound by and perform all obligations of OZC pursuant to the BDC Consulting Agreement, arising on or after the Effective Date, and to abide by all of the terms, provisions, covenants and conditions of the BDC Consulting Agreement.

**4. Consent to Assignment.** BDC hereby consents to the foregoing assignment by OZC and assumption by Bakhu of the BDC Consulting Agreement Notwithstanding Assignor's assignment of the BDC Consulting Agreement to Assignee hereunder, and BDC's consent to such assignment, Assignor shall remain primarily liable to BDC for the obligations of Assignee under the BDC Consulting Agreement in the event that Assignee fails to fulfill any obligation imposed on it under the BDC Consulting Agreement. Further, it is understood and agreed, however, that the foregoing consent is not a waiver of BDC's right to consent to or impose restrictions upon any future assignment of the BDC Consulting Agreement.

**5. No Modification of Agreement; Agreement Ratified.** Nothing contained in this Agreement shall be construed to (a) modify, waive, impair or affect any of the provisions, covenants, agreements, terms or conditions contained in the BDC Consulting Agreement, (b) waive any present or future breach or default under the BDC Consulting Agreement or any rights of BDC against any person, firm, association or corporation liable or responsible for the performance of the BDC Consulting Agreement, or (c) enlarge or increase BDC's obligations or Assignor or Assignee under the BDC Consulting Agreement or otherwise; and all provisions, covenants, agreements, terms and conditions of the BDC Consulting Agreement are hereby declared by Assignor and Assignee to be in full force and effect.

**6. Waiver and Amendment.** No waiver, amendment, or modification of this Agreement shall be effective against any party hereto, unless in writing and executed by a duly authorized representatives of each of the parties.

**7. Governing Law.** This Agreement shall be construed and enforced in accordance with and governed by the laws of California (without giving effect to any conflicts or choice of laws provisions thereof that would cause the application of the domestic substantive laws of any other jurisdiction).

8. **Jurisdiction; Venue.** Each of the parties hereto hereby consents to the jurisdiction of all state and federal courts located in Los Angeles, California, as well as to the jurisdiction of all courts to which an appeal may be taken from such courts, for the purpose of any suit, action, or other proceeding arising out of, or in connection with, this Agreement or any of the transactions contemplated hereby, including any proceeding relating to ancillary measures in aid of arbitration, provisional remedies, and interim relief, or any proceeding to enforce any arbitral decision or award. Each party hereby expressly waives any and all rights to bring any suit, action, or other proceeding in or before any court or tribunal other than the courts described above and covenants that it shall not seek in any manner to resolve any dispute other than as set forth in this section, or to challenge or set aside any decision, award, or judgment obtained in accordance with the provisions hereof.

9. **Waiver of Jury Trial.** To the fullest extent permitted by applicable law the parties hereby irrevocably and unconditionally waives trial by jury in any legal action or proceeding relating to this Agreement, or any of the transactions contemplated hereby, and any counterclaim therein. For purposes of this Agreement, “Proceeding” includes any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened, or completed proceeding, whether brought by or in the right of any party or otherwise and whether civil, criminal, administrative, or investigative, in which a party was, is, or will be involved as a party or otherwise.

10. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format (.pdf), DocuSign or other electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement.

\*\*\* Signature Page Follows \*\*\*

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**IN WITNESS WHEREOF**, this Assignment and Assumption Agreement has been duly executed and delivered by a duly authorized representative of each of the Parties as of the date first above written.

**Assignor**

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**The OZ Corporation**

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By: John R. Munoz  
Its: President and CEO

**Assignee:**

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**Bakhu Holdings, Corp.**

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By: Thomas K. Emmitt  
Its: President and CEO

**Contract Party:**

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**Bus Dev Centre, Inc.**

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By: Donald Clark  
Its: President and CEO

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## OFFICE COST SHARING AGREEMENT

This Office Cost Sharing Agreement (the "Agreement ") entered into effective as of September 22, 2020 (the "Effective Date"), is by and between The OZ Corporation, a California corporation ("OZC") and Bakhu Holdings, Corp., a Nevada corporation ("Bakhu").

### Recitals

A. Whereas, OZC is the lessee of office space located at One World Trade Center, Suite 130, Long Beach, CA 90831 (the "Premises") comprised of a foyer-reception area, secured server room, kitchen, four private offices and two open internal cubical spaces.

B. Whereas, OZC is a principal shareholder of Bakhu, and pursuant to that certain Efficacy Demonstration Laboratory Agreement dated June 10, 2020 entered into by and between OZC and Bakhu, OZC has undertaken on behalf of Bakhu and is providing financial, technical, and management resources in furtherance of the completion of efficacy demonstration requirements under that certain Amended and Restated Patent and Technology License Agreement dated December 31, 2019 (the "Restated License") between Cell Science Holdings Ltd., a Cypress corporation ("Licensor") and Bakhu as the "Licensee".

C. Whereas, OZC provides office space, equipment, telephone and internet service, utilities answer services and support staff (i) to Bus Dev Centre, Inc. and its principal Donald Clark who provides advisory and consulting services through OZC on behalf of Bakhu in furtherance of the efficacy demonstration, and Bakhu's anticipated sublicensing efforts, and (ii) to Thomas K. Emmitt the President and CEO of Bakhu, and for Bakhu's accounting staff.

D. Whereas, this Agreement memorializes the agreement between Bakhu and OZC with regard to Bakhu's sharing of the costs and expenses associated with the Premises, and other matters associated with an office sharing arrangement.

### AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and benefits to be derived by the parties, they do hereby agree to the following:

1. **Allocation and Payment of Office Costs and Expense.** In consideration of the shared use of the Premises, including with limitation, the office space, equipment, telephone and internet service, utilities, answer services and support staff, provided by OZC to and on behalf of Bakhu as set forth above, Bakhu shall pay to OZC the aggregate sum of \$34,000 per month (the "Shared Office Cost"), on the first day of each month, for so long as OZC provides Bakhu with shared used of the Premises. In addition, Bakhu agrees to pay and reimburse OZC, for any additional rent, utilities and expenses incurred by OZC, the percentage of which shall be equal to the quotient obtained by dividing (i) the monthly Shared Office Cost paid by Bakhu by (ii) the total monthly cost incurred and paid by OZC for the Premises, office space, equipment, telephone and internet service, utilities, support staff and related cost and expenses.

2. **Parking Allocation.** Any parking spaces included as part of OZC lease of the Premises shall be allocated for use by OZC and Bakhu as they shall agree.

3. **Furniture and Equipment.** Other than personal furniture, equipment and computers of OZC or Bakhu's personnel, OZC will own all office furniture and equipment. However, OZC and Bakhu shall share the cost and expense on a 50/50 basis to maintain, repair and/or replace any said furniture and equipment.





4. **Receptionist.** Bakhu's use of the receptionist and office staff shall be included in the monthly Shared Office Cost paid by Bakhu as set forth in Section 1.
5. **Internet, Phone System and Equipment.** Bakhu's use of the internet, phone services and equipment shall be included in the monthly Shared Office Cost paid by Bakhu as set forth in Section 1.
6. **Kitchen.** All parties shall have equal access and use of the kitchen keeping in mind and respecting each party's personal food items. The Parties shall maintain the Kitchen area in a professional and clean manner.
7. **Building Access Key Cards.** Building and office keys and access cards required for Bakhu's personnel shall be included in the monthly Shared Office Cost paid by Bakhu as set forth in Section 1.
8. **Signage.** If Bakhu elects, and the landlord approves of separate signage on the entry doors, reception area and any building placards, Bakhu shall bear the sole cost of any such signage.
9. **Mailbox.** Bakhu's use of mailbox servicing the Premises shall be included in the monthly Shared Office Cost paid by Bakhu as set forth in Section 1.
10. **Insurance.** The parties shall carry their own liability and personal property insurance.
11. **Governing Law; Venue.** This Agreement is being executed and delivered, and is intended to be performed, in the State of California, and to the extent permitted by law, the execution, validity, construction, and performance of this Agreement shall be construed and enforced in accordance with the laws of the State of California without giving effect to conflict of law principles. This Agreement shall be deemed made and entered into in Los Angeles County, State of California and venue for any Proceeding as defined below, in connection with this Agreement shall be in Los Angeles County, California.
12. **Waiver of Jury Trial.** To the fullest extent permitted by applicable law, the Parties hereto hereby voluntarily and irrevocably waives trial by jury in any Proceeding brought in connection with this Agreement, any of the related agreements and documents, or any of the transactions contemplated hereby or thereby. For purposes of this Agreement, "Proceeding" includes any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened, or completed proceeding, whether brought by or in the right of any party or otherwise and whether civil, criminal, administrative, or investigative, in which a Party was, is, or will be involved as a party or otherwise.
13. **Assignment.** This Agreement shall be binding upon the parties and their respective successors and assigns. Neither party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party.
14. **Counterparts; Electronic Signature.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format (.pdf), DocuSign or other electronic transmission shall be equally as effective as delivery of a manually executed counterpart of this Agreement.

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

**The OZ Corporation**

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By: John R. Munoz  
Its: President and CEO

**Assignee:**

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**BAKHU Holdings, Corp.**

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By: Thomas K. Emmitt  
Its: President and CEO

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## BAKHU HOLDINGS, CORP.

2020

### LONG-TERM INCENTIVE PLAN

**Bakhu Holdings, Corp.**, a Nevada corporation (the “Company”), hereby adopts this 2020 Long-Term Incentive Plan (the “Plan”), effective as of September 22, 2020 (the “Effective Date”).

1. **Purposes of the Plan.** The Board has adopted this Plan with the intent, and directs that it be administered as necessary, to attract and retain the best available personnel for positions of substantial responsibility; provide additional incentive to Employees, Directors, and Consultants and promote the success of the Company’s business. The Plan provides for the grant of Incentive Stock Options, Non-Qualified Stock Options, Stock Purchase Rights, Restricted Stock Awards, or Performance Stock Awards.

2. **Definitions.** As used herein, the following definitions shall apply:

(a) “Acquisition” means (a) a dissolution, liquidation or sale of all or substantially all of the assets of the Company; (b) a merger or consolidation in which the Company is not the surviving corporation; or (c) a merger in which the Company is the surviving corporation but the shares of the Company’s common stock outstanding immediately preceding the merger are converted by virtue of the merger into other property, whether in the form of securities, cash or otherwise.

(b) “Administrator” means the Board or any committee designated by the Board to administer the Plan per Section 4 of the Plan.

(c) “Applicable Laws” means the requirements relating to the administration of stock option plans under the corporate laws of the state in which the Company is incorporated, federal and state securities laws, the Code, the regulations and policies of any stock exchange or quotation system on which the Common Stock is listed or quoted, and the Applicable Laws of any foreign country or jurisdiction where Awards are or will be granted under the Plan.

(d) “Award” means an award of Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock, Stock Purchase Rights or Performance Stock granted to a Service Provider under this Plan.

(e) “Award Agreement” means the Option Agreement or other written agreement between the Company and a Service Provider, including a Notice of Grant to a Service Provider, evidencing the terms and conditions of an individual Award. The Award Agreement shall be subject to the terms and conditions of the Plan.

(f) “Board” means the Board of Directors of the Company.

(g) “Cause” shall have the meaning ascribed to it in any written employment or service agreement between the Company (or Subsidiary) and the Service Provider. If not otherwise defined, “Cause” shall mean, a good faith determination by the Board of Directors that the Service Provider (i) has failed to perform his or her duties or to comply with any material provision of his or her employment or service agreement with the Company, where such failure is not cured by the Service Provider within thirty (30) days after receiving written notice from the Company (or Subsidiary) specifying in reasonable detail the nature of the failure, (ii) has committed any material act of dishonesty or disloyalty adversely affecting the Company (or

Subsidiary); (iii) has been grossly negligent, or engaged in material willful or gross misconduct in

the performance of the Service Provider's duties and services required of him or her to the Company (or Subsidiary); or (iv) has been convicted of a felony, or a misdemeanor involving moral turpitude.

(h) "Code" means the Internal Revenue Code of 1986, as amended.

(i) "Committee" means a committee of Directors appointed by the Board per Section 4 of the Plan or, if no such committee has been appointed, the Board.

(j) "Common Stock" means the common stock of the Company.

(k) "Consultant" means any consultant or adviser if: (i) the consultant or adviser renders bona fide services to the Company (or any Subsidiary); (ii) the services rendered by the consultant or adviser are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities; and (iii) the consultant or adviser is a natural person who has contracted directly with the Company or any Subsidiary of the Company to render such services.

(l) "Director" means a member of the Board.

(m) "Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code.

(n) "Employee" means any person, including an Officer or Director, who is an employee (as defined in Section 3401(c) of the Code) of the Company (or any Subsidiary). An Employee shall not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Subsidiary, or any successor. For purposes of Incentive Stock Options, no such leave may exceed ninety (90) days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. Neither service as a Director nor payment of a director's fee by the Company shall be sufficient, by itself, to constitute "employment" by the Company.

(o) "Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto. Reference to any particular Exchange Act Section shall include any successor section and any regulations or authorities promulgated thereunder.

(p) "Fair Market Value" of a Share means, as of any date, the fair market value determined consistent with the requirements of Sections 422 and 409A of the Code, as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, its Fair Market Value shall be the mean between the highest and lowest quoted selling prices for a share of such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system for the last market trading day prior to the time of determination, as reported by Bloomberg Finance L.P., The Wall Street Journal, or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, its Fair Market Value shall be (x) the mean between the high bid and low asked prices for a share of the Common Stock on the last market trading day prior to the day of determination, or (y) the price established by the

Board not less than the current price at which the Company is offering and selling shares subject to the Plan, for cash; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined in good faith by the Administrator under Applicable Law.

(q) “Incentive Stock Option” means an Option (or portion thereof) which qualifies as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder, and which is designated as an Incentive Stock Option by the Administrator.

(r) “Independent Director” means a Director who is not an Employee of the Company, (and if applicable, as define by the rules and regulations promulgated by the Trading Market).

(s) “Inside Director” means a Director who is an Employee.

(t) “Non-Qualified Stock Option” means an Option (or portion thereof) that is not designated as an Incentive Stock Option by the Administrator, or which is designated as an Incentive Stock Option by the Administrator but fails to qualify as an Incentive Stock Option.

(u) “Non-Statutory Stock Option” means an Option not intended to qualify as an Incentive Stock Option.

(v) “Notice of Grant” means a written or electronic notice evidencing certain terms and conditions of an individual Option, Stock Purchase Right, Restricted Stock Unit grant, or Performance Stock grant. The Notice of Grant is part of, and subject to the terms of, the Option Agreement or the Award Agreement as applicable.

(w) “Officer” means a person who is an executive officer of the Company within the meaning of Section 17 of the Exchange Act and the rules and regulations promulgated thereunder.

(x) “Option” means a stock option granted under the Plan.

(y) “Option Agreement” means the written agreement between the Company and a Service Provider, including a Notice of Grant to a Service Provider, evidencing the terms and conditions of an individual Option grant. The Option Agreement shall be subject to the terms and conditions of the Plan.

(z) “Option Exchange Program” means a program whereby outstanding Options are surrendered in exchange for Options with a lower exercise price.

(aa) “Optioned Stock” means the Common Stock subject to an Option or Stock Purchase Right.

(bb) “Optionee” means the holder of an outstanding Option or Stock Purchase Right granted under the Plan.

(cc) “Outside Director” means a Director who meets the definition of both a “Non-Employee Director” (as defined in Rule 16b-3 of the Exchange Act) and “Outside Director” (as defined in Section 162(m) of the Code).

(dd) “Parent” means any corporation, other than the Company, whether now or hereafter existing, in an unbroken chain of corporations ending with the Company if each of the corporations other than the last corporation in the unbroken chain owns equity possessing more than fifty percent (50%) of the total combined voting power of all classes of equity in one of the corporations in such chain.

(ee) “Plan” means this **Bakhu Holdings, Corp. 2020 Long-Term Incentive Plan**, as the same may be amended and restated from time to time.

(ff) “Participant” means a Service Provider to whom the Company has granted a Restricted Stock Unit award under the Plan.

(gg) “Performance Stock” means Shares of Common Stock acquired pursuant to a Performance Stock Award under Section 13 of the Plan.

(hh) “Proceeding” includes any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened, or completed proceeding, whether brought by or in the right of any entity or otherwise and whether civil, criminal, administrative, or investigative, in which the Company was, is, or will be involved as a party or otherwise.

(ii) “Restricted Stock” means Shares of Common Stock acquired pursuant to a grant of Stock Purchase Rights under Section 11 of the Plan, or Restricted Stock Award under Section 12 of the Plan.

(jj) “Restricted Stock Purchase Agreement” means a written agreement between the Company and the Optionee evidencing the terms and restrictions applying to stock purchased under a Stock Purchase Right. The Restricted Stock Purchase Agreement is subject to the terms and conditions of the Plan and the Notice of Grant.

(kk) “Restricted Stock Unit” means a bookkeeping entry representing a right granted to a Participant under Section 12 of the Plan to receive a share of Common Stock on a date determined by Section 12 of the Plan and the Participant’s Restricted Stock Unit Agreement.

(ll) “Restricted Stock Unit Agreement” means a written agreement between the Company and a Participant who is granted Restricted Stock Units under the Plan that contains the terms, conditions, and restrictions pertaining to the grant of the Restricted Stock Units.

(mm) “Rule 16b-3” means Rule 16b-3 of the Exchange Act, as such Section may be amended from time to time, or any successor to Rule 16b-3, as in effect when discretion is being exercised respecting the Plan.

(nn) “Section 16(b)” means Section 16(b) of the Exchange Act.

(oo) “Securities Act” means the Securities Act of 1933, as amended, or any successor statute or statutes thereto. Reference to any particular Securities Act Section shall include any successor section.





(pp) “Service Provider” means an Employee, Director, or Consultant.

(qq) “Share” means a share of Common Stock, as adjusted in accordance with Section 17 of the Plan.

(rr) “Stock Purchase Right” means the right to purchase Common Stock according to Section 11 of the Plan, as evidenced by a Notice of Grant.

(ss) “Subsidiary” means any corporation, whether now or hereafter existing (other than the Company), in an unbroken chain of corporations beginning with the Company if each of the entities other than the last corporation in the unbroken chain owns equity possessing more than fifty percent (50%) of the total combined voting power of all classes of equity in one of the other entities in such chain or any other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company. Notwithstanding the foregoing, respecting the grant of a Non-qualified Stock Option, to the extent allowed under Section 409A, Subsidiary may include a corporation designated by the Administrator in which the Company has a significant interest at least equal to twenty percent (20%) of the total combined voting power of all classes of stock in such entity and there is a significant business nexus between the Service Provider and the Company and legitimate business criteria to justify the grant of an Award to such Eligible Person.

(tt) “Trading Market” means whichever of the New York Stock Exchange, the NYSE-AMEX, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market, or the OTC Markets on which the Common Stock of the Company is listed or quoted for trading, on the date in question.

3. **Stock Subject to the Plan.** Subject to the provisions of Section 18 of the Plan, the maximum aggregate number of Shares on which Options may be granted and which may be sold on the exercise of such Options and under Restricted Stock Purchase Agreements under the Plan is **Twenty Million (20,000,000)** Shares. The Shares may be authorized, but unissued, or reacquired Common Stock. If an Option or Stock Purchase Right expires or becomes unexercisable without having been exercised in full or is surrendered under an Option Exchange Program, or if Restricted Stock Units are forfeited, the unpurchased or unissued Shares that were subject thereto shall become available for future grant or sale under the Plan (unless the Plan has terminated); *provided, however*, that Shares that have been issued under the Plan, whether upon exercise of an Option or Right or the vesting of Restricted Stock Units, shall not be returned to the Plan and shall not become available for future distribution under the Plan, except that if Shares of Restricted Stock are repurchased by the Company at their original purchase price, such Shares shall become available for future grant under the Plan.

#### 4. **Administration of the Plan.**

(a) Procedure.

(i) The Board may designate different Committees to administer the Plan for different groups of Service Providers.

(ii) To the extent that the Administrator determines it to be desirable to qualify Options granted hereunder as “performance-based compensation” within the meaning of Section 162(m) of the Code, the Plan shall be administered by a Committee of two or more “Outside Directors” within the meaning of Section 162(m) of the Code.



(iii) To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder shall be structured to satisfy the requirements for exemption under Rule 16b-3.

(iv) Other than as provided above, the Plan shall be administered by the Board or a Committee that is constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion:

(i) to determine the Fair Market Value of the Company's shares according to Section 2(r) of the Plan;

(ii) to select the Service Providers to whom Options, Stock Purchase Rights, and Restricted Stock Units may be granted hereunder;

(iii) to determine the number of Stock Purchase Rights and Shares of Common Stock to be covered by each Option or Stock Purchase Right granted hereunder;

(iv) to approve forms of agreement or grant for use under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Option, Stock Purchase Right or Restricted Stock Unit granted hereunder. Such terms and conditions include the exercise price, the time or times when Options or Stock Purchase Rights may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Restricted Stock Unit, Option, or Stock Purchase Right or the Shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(vi) to cancel any Option or Stock Purchase Right if the Fair Market Value of the Common Stock covered by such Option or Stock Purchase Right shall have declined since the date the Option or Stock Purchase Right was granted and may issue replacement Options or Stock Purchase Rights with an exercise price equal to the then-current Fair Market Value;

(vii) to institute an Option Exchange Program;

(viii) to construe and interpret the terms of the Plan and awards granted under the Plan;

(ix) to establish, amend, and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established to satisfy applicable foreign laws;

(x) to modify or amend each Option, Stock Purchase Right, or Restricted Stock Unit (subject to Section 19(c) of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options longer than is otherwise provided for in the Plan;



(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Option, Stock Purchase Right, or Restricted Stock Unit previously granted by the Administrator;

(xii) to correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Option or Restricted Stock Unit Agreement, in a manner and to the extent, it shall deem necessary, all of which determinations and interpretations made by the Administrator shall be conclusive and binding on all Optionees and Participants, any other holders of Options or Restricted Stock Units, and their legal representatives and beneficiaries;

(xiii) except to the extent prohibited by or impermissible in order to obtain treatment desired by the Administrator under Applicable Law or rule, to allocate or delegate all or any portion of its powers and responsibilities to any one or more of its members or any person(s) selected by it, subject to revocation or modification by the Administrator of such allocation or delegation; and

(xiv) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations, and interpretations shall be final and binding on all Optionees and Participants and any other holders of Options, Stock Purchase Rights, or Restricted Stock Units.

5. **Eligibility.** Incentive Stock Options may be granted only to Employees. Nonstatutory Stock Options, Stock Purchase Rights, Restricted Stock Units, and Performance Stock Awards may be granted to Service Providers.

6. **Limitations.**

(a) Designation. Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares for which Incentive Stock Options are exercisable for the first time by the Optionee during any calendar year (under all Plans of the Company and any Parent or Subsidiary) exceeds \$100,000, such Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options shall be taken into account in the order in which they were granted. The Fair Market Value of the Shares shall be determined as of the time the Option for such Shares is granted.

(b) No Right of Continuing Service or Employment. Neither the Plan nor any Option, Stock Purchase Right, or Restricted Stock Unit shall confer upon an Optionee or Participant any right to the Optionee's or Participant's continuing relationship as a Service Provider with the Company, nor shall they interfere in any way with the existing right of the Optionee, Participant, or the Company to terminate such relationship.

7. **Term of Plan.** Subject to Section 23 of the Plan, the Plan shall become effective upon its adoption by the Board. It shall continue in effect for a term of 10 years from the Effective Date unless terminated earlier under Section 19 of the Plan.

8. **Term of Option.** The term of each Option shall be stated in the Option Agreement. In the case of an Incentive Stock Option, the term shall be no more 10 years from the date of grant or such shorter term as may be provided in the Option Agreement. Moreover, in the case of an Incentive Stock Option granted to an Optionee who, at the time the Incentive Stock Option is granted, owns stock representing more than 10% of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option shall be five (5) years from the date of grant or such shorter term as may be provided in the Option Agreement.

9. **Option Exercise Price and Consideration.**

(a) **Exercise Price.** The per-share exercise price for the Shares to be issued upon the exercise of an Option shall be determined by the Administrator and specified in the Option Agreement, subject to the following:

(i) In the case of an Incentive Stock Option:

(x) granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant.

(y) granted to any Employee other than an Employee described in subsection 9(a)(i)(1) immediately above, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Nonstatutory Stock Option, the per Share exercise price shall be determined by the Administrator. In the case of a Nonstatutory Stock Option intended to qualify as “performance-based compensation” within the meaning of Section 162(m) of the Code, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant. In this regard, a stock option granted with an exercise price less than FMV on the date of grant is nonqualified deferred compensation subject to the restrictions of Code Section 409A.

(iii) In the event of a merger or other corporate transaction, a new Option may be substituted for an outstanding Option, or such outstanding Option may be assumed.

(b) **Waiting Period and Exercise Dates.** At the time an Option is granted, the Administrator shall fix the period within which the Option may be exercised and shall determine any conditions that must be satisfied before the Option may be exercised.

(c) **Form of Consideration.** The Administrator shall determine the acceptable form of consideration for exercising an Option, including the method of payment. Such consideration may consist entirely of:

(i) cash;

(ii) check;

- (iii) other Shares, *provided* Shares acquired from the Company have been owned by the Optionee for more than six months on the date of surrender and have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised;
- (iv) consideration received by the Company under a cashless, or net, exercise program implemented by the Company in connection with the Plan;
- (v) a reduction in the amount of any Company liability to the Optionee, including any liability attributable to the Optionee's participation in any Company-sponsored deferred compensation program or arrangement;
- (vi) any combination of the foregoing methods of payment; or
- (vii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

In the case of an Incentive Stock Option, the Administrator shall determine the acceptable form of consideration at the time of grant as provided in the Option Agreement. Notwithstanding the form of consideration determined by the Administrator at the time of grant, the Administrator shall have the authority, in its sole and absolute discretion, to accept other forms of consideration as the method of payment.

#### **10. Exercise of Option.**

(a) Procedure for Exercise; Rights as a Shareholder. Any Option granted hereunder shall be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and as provided in the Option Agreement. Unless the Administrator provides otherwise, vesting of Options granted hereunder shall be tolled during any unpaid leave of absence. An Option may not be exercised for a fraction of a Share. An Option shall be deemed exercised when the Company receives: (i) written or electronic notice of exercise (per the Option Agreement) from the person entitled to exercise the Option, and (ii) full payment for the number of shares for which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Option Agreement and the Plan. Shares issued upon exercise of an Option shall be issued in the name of the Optionee or, if requested by the Optionee, in the name of the Optionee and his or her spouse or in the name of a family trust of which the Optionee is a trustee. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a shareholder shall exist respecting the Optioned Stock, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such Shares promptly after the Option is exercised; *provided* that if the Company shall be advised by counsel that certain requirements under federal, state, or foreign securities laws must be met before Shares may be issued under this Plan, the Company shall notify all persons who have been issued Options, and the Company shall have no liability for failure to issue Shares under any exercise of Options because of delay while such requirements are being met or the inability of the Company to comply with such requirements. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 16 of the Plan. Exercising an Option in any manner shall decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.





(b) Termination of Relationship as a Service Provider. If an Optionee ceases to be a Service Provider, other than upon the Optionee's death, disability or for cause, the Optionee may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as provided in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for twelve (12) months following the Optionee's termination. If on the date of termination, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified by the Administrator, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(c) Disability of Optionee. If an Optionee ceases to be a Service Provider as a result of the Optionee's Disability, the Optionee may exercise his or her Option within such period as is specified in the Option Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as provided in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for six (6) months following the Optionee's termination. If on the date of termination, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(d) Death of Optionee. If an Optionee dies while a Service Provider, the Option may be exercised within such period as is specified in the Option Agreement (but in no event later than the expiration of the term of such Option as provided in the Notice of Grant), by the Optionee's estate or by a person who acquires the right to exercise the Option by bequest or inheritance, but only to the extent that the Option is vested on the date of death. In the absence of a specified time in the Option Agreement, in the event of Optionee's death either during Optionee's continuous service or within three months after Optionee's continuous service terminates, the Option shall remain exercisable for six (6) months after the issuance of letters testamentary or letters of administration or the appointment of an administrator, executor, or personal representative but not later than twelve (12) months after termination of Optionee's continuous service. If at the time of death, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall immediately revert to the Plan. The Option may be exercised by the executor or administrator of the Optionee's estate or, if none, by the person(s) entitled to exercise the Option under the Optionee's will or the laws of descent or distribution. If the Option is not so exercised within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(e) Termination of Relationship as a Service Provider for Cause. If an Optionee is terminated as a Service Provider for cause, good reason, or for other reasons set forth in the Service Provider's terms of engagement by the Company not constituting a breach by the Company of such engagement, all Options held by the Optionee shall thereupon expire at 5 p.m. Pacific Standard Time on the date of termination.

(f) Termination or resignation to Provide for the Appointment of Independent Directors. If a Optionee is an Inside Director and such Optionee resigns or is not being reappointed in order to provide for the appointment, as his or her replacement, of an Independent Director, and not due to a reason provided in Section 10 (b), (c), (d) and (e) above, the vesting of



such Optionee's Option shall be accelerated so that such Option shall become immediately exercisable, and such the Option shall remain exercisable for full term through the expiration date of such Option.

## **11. Stock Purchase Rights.**

(a) Rights to Purchase. Stock Purchase Rights may be issued either alone, in addition to, or in tandem with other awards granted under the Plan and/or cash awards made outside of the Plan. After the Administrator determines that it will offer Stock Purchase Rights under the Plan, it shall advise the offeree in writing or electronically, using a Notice of Grant, of the terms, conditions, and restrictions related to the offer, including the number of Shares that the offeree shall be entitled to purchase, the price to be paid, and the time within which the offeree must accept such offer. The offer shall be accepted by the execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator.

(b) Repurchase Option. Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the purchaser's service with the Company for any reason (including death or Disability). The purchase price for Shares repurchased pursuant to the Restricted Stock Purchase Agreement shall be the original price paid by the purchaser plus interest at the rate of 10% per year from the date of the original purchase and may be paid by cancellation of any indebtedness of the purchaser to the Company. The repurchase option shall lapse at a rate determined by the Administrator.

(c) Other Provisions. The Restricted Stock Purchase Agreement shall contain such other terms, provisions, and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion.

(d) Rights as a Shareholder. Once the Stock Purchase Right is exercised, the purchaser shall have the rights equivalent to those of a shareholder and shall be a shareholder when his or her purchase is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other right for which the record date is before the date the Stock Purchase Right is exercised, except as provided in Section 16 of the Plan.

## **12. Restricted Stock.**

(a) Restricted Stock Agreement. Each Restricted Stock award under this Section 12 shall be evidenced by a Restricted Stock Unit Agreement between the Participant and the Company. Such award shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Administrator deems appropriate for inclusion in a Restricted Stock Unit Agreement. The provisions of the various Restricted Stock Unit Agreements entered into under the Plan need not be identical.

(b) Purchase Price. No monetary payment (other than applicable tax withholding, if any) shall be required as a condition of receiving a Restricted Stock Unit Award, the consideration for which shall be the services rendered by the Participant to or for the benefit of the Company or a Parent or Subsidiary.

(c) Vesting. Restricted Stock Units may or may not be made subject to vesting conditions based upon the satisfaction of such requirements, conditions, or restrictions, as shall be established by the Administrator and set forth in the Restricted Stock Unit Agreement.

(d) Voting. Participants shall have no voting rights respecting Shares represented by Restricted Stock Units until the date of the issuance of such Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company).

(e) Effect of Termination of Service. Unless otherwise provided by the Administrator in the grant of Restricted Stock Units and set forth in the Restricted Stock Unit Agreement, if a Participant's service terminates for any reason, whether voluntary or involuntary (including the Participant's death or Disability), then the Participant shall forfeit to the Company any Restricted Stock Units that remain subject to vesting conditions as of the date of the Participant's termination of service.

(f) Settlement of Restricted Stock Unit Award. The Company shall issue to the Participant as soon as practicable following the dates the vesting conditions or other requirements, conditions, or restrictions applicable thereto shall be satisfied, and in any event, within two and one-half months after such date, a number of whole Shares equal to the number of whole Restricted Stock Units as set forth in and subject to the Restricted Stock Unit Agreement that are no longer subject to vesting conditions, subject to withholding of applicable taxes, if any.

(g) Restrictions on Transfer of Restricted Stock Units. Restricted Stock Units shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the participant or the Participant's beneficiary, except: (i) by will or by the laws of descent and distribution; (ii) to a Participant's family member who has acquired the Restricted Stock Unit Award through a gift or a transfer for value pursuant to a domestic relations order in settlement of marital property rights or a transfer to an entity in which more than 50% of the voting interests owned by a Participant's family members or the Participant in exchange for an interest in that entity, all as more particularly provided in the general instructions to Form S-8 or any successor form under the Securities Act of 1933; or (iii) as determined otherwise by the Administrator, in which case such Restricted Stock Unit Award shall contain such additional terms and conditions as the Administrator deems appropriate.

### **13. Performance Stock**

(a) Performance Stock Awards. The Administrator may make Performance Stock Awards entitling recipients to acquire shares of Stock upon the attainment of specified performance goals. The Administrator may make Performance Stock Awards independent of, or in connection with, the granting of any other Award under the Plan. The Administrator, in its sole discretion, shall determine the performance goals applicable under each such Award, the periods during which performance is to be measured, and all other limitations and conditions applicable to the awarded Performance Stock.

(b) Award Agreement. Performance Stock shall be granted under an Award Agreement referring to the terms, conditions, and restrictions applicable to such Performance Stock.

(c) No Deferral Provisions. Notwithstanding anything herein to the contrary, a Performance Stock Award shall provide for prompt issuance of Shares upon vesting of the Award



and shall not include any deferral of issuance and/or of compensation recognition after vesting which would cause the Award to constitute a deferral of compensation subject to Section 409A of the Code. The Administrator may at any time accelerate or waive any or all of the goals, restrictions or conditions imposed under any Performance Stock Award.

(d) No Shareholder or Secured Rights. A Holder shall be entitled to receive a stock certificate evidencing the acquisition of Shares under a Performance Stock Award only upon satisfaction of all conditions specified in the Award Agreement evidencing the Award. A Holder receiving a Performance Stock Award shall have no rights of a shareholder as to Shares covered by such Award unless and until such Shares are issued to the Holder under the Plan. Prior to receipt of the Shares underlying such Award, a Performance Stock Award shall represent no more than an unfunded, unsecured, contractual obligation of the Company and the Company shall be under no obligation to set aside any assets to fund such Award. Prior to vesting and issuance of the Shares, the Holder shall have no greater claim to the Common Stock underlying such Award or any other assets of the Company than any other unsecured general creditor and such rights may not be sold, pledged, assigned or transferred in any manner other than by will or by the laws of intestate succession as provided in Section 15(a).

14. Withholding. If the grant or exercise of an Option or a Stock Purchase Right pursuant to this Plan or any other event in connection with any such grant or exercise, or the award or vesting of a Restricted Stock Unit, the issuance of the Share represented by such Restricted Stock Unit, or any other event in connection with such award, vesting, or issuance, creates an obligation to withhold income and employment taxes pursuant to the Applicable Laws, such obligation may, at the sole and absolute discretion of the Administrator at the time of the grant of the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award, and to the extent permitted by the terms of the Option, Stock Purchase Right, or Restricted Stock Unit and the then-governing provisions of the Code and the Exchange Act, be satisfied (a) by the holder of the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award, delivering to the Company an amount of cash equal to such withholding obligation; (b) by the Company withholding from any compensation or other amount owing to the holder of the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award, the amount (in cash, stock or other property as the Company may determine) of the withholding obligation; (c) by the Company withholding Shares of stock subject to the Option, Stock Purchase Right, or Restricted Stock Unit with a Fair Market Value equal to such obligation; or (d) by the holder of the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award, either delivering Shares of stock that have been owned by the holder for more than six months or canceling Options or Restricted Stock Units or other rights to acquire stock from the Company that have been held for more than six months with a Fair Market Value equal to such requirements. In all events, delivery of Shares of stock issuable on exercise of the Option, on grant of the Stock Purchase Right, or on vesting of the Restricted Stock Unit shall be conditioned upon and subject to the satisfaction or making provision for the satisfaction of the withholding obligation of the Company resulting from the grant or exercise of the Option, grant of the Stock Purchase Right, vesting of the Restricted Stock Unit, or any other event in accordance with the foregoing. The Company shall be further authorized to take such other action as may be necessary, in the opinion of the Company, to satisfy all obligations for the payment of such taxes.

15. Nontransferability of Awards.

(a) No Award granted under this Plan may be directly or indirectly sold, pledged, assigned, hypothecated, transferred, disposed of or encumbered in any manner whatsoever, other than by will or by the laws of descent or distribution prior to vesting and exercise (if applicable) under the terms of the Award and may be exercised, during the lifetime of the Service Provider, only by the Service Provider. Notwithstanding the forgoing, the Administrator may in its



discretion grant Nonstatutory Stock Options that may be transferred by instrument to an inter vivos or testamentary trust in which the Options are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift or pursuant to domestic relations orders to any "Immediate Family Member" (as defined below) of the Optionee. "Immediate Family Member" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships), any person sharing the Optionee's household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or the Optionee) control the management of assets, and any other entity in which these persons (or the Optionee) own more than fifty percent of the voting interests.

(b) An Incentive Stock Option may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee. An Incentive Stock Option can only be exercised by Optionee. In the event of the death of Optionee while an eligible employee of the Company or within three months after termination thereof, this Option can be exercised by the executor or personal representative of the estate of Optionee or such other person who has acquired this Option as a bequest or by inheritance from Optionee

16. **Grants to Directors and Officers.** To the extent the Company has a class of securities registered under Section 12 of the Exchange Act, Options, Stock Purchase Rights, or Restricted Stock Units granted under the Plan to Directors and Officers (as used in Rule 16b-3 promulgated under the Exchange Act or any amendment or successor rule of like tenor) intended to qualify for the exemption from Section 16(b) of the Exchange Act provided in Rule 16b-3 shall, in addition to being subject to the other restrictions and limitations provided in this Plan, be made as follows:

(a) Requirements for Grant to Officer or Director. A transaction whereby there is a grant of an Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award under this Plan must satisfy one of the following:

(i) The transaction must be approved by the Board or duly authorized Committee composed solely of two or more Outside Directors of the Company.

(ii) The transaction must be approved or ratified, in compliance with Section 14 of the Exchange Act, by either: (1) the affirmative vote of the holders of a majority of the securities of the Company present or represented and entitled to vote at a meeting of the shareholders of the Company held in accordance to the Applicable Laws of the state of incorporation of the Company; or (2) if allowed by applicable state law, the written consent of the holders of a majority, or such greater percentage as may be required by Applicable Laws of the state of incorporation of the Company, of the securities of the Company entitled to vote. If the transaction is ratified by the shareholders, such ratification must occur no later than the date of the next annual meeting of shareholders.

(iii) The stock acquired must be held by the Officer or Director for six (6) months after the date of the grant; *provided* that if the transaction involves a derivative security (as defined in Section 16 of the Exchange Act), this condition shall be satisfied if at least six (6) months elapse from the date of acquisition of the derivative security to the date of disposition of the derivative security (other than on exercise or conversion) or its underlying equity security.



(b) Approval Required for Disposition of Securities. Any transaction involving the disposition by the Company of its securities in connection with Options, Stock Purchase Rights, or Restricted Stock Units granted under this Plan to an Officer or Director shall:

(i) be approved by the Board or duly authorized Committee composed solely of two or more Outside Directors; or

(ii) be approved or ratified, in compliance with Section 14 of the Exchange Act, by either: (1) the affirmative vote of the holders of a majority of the securities of the Company present or represented and entitled to vote at a meeting duly held according to the Applicable Laws of the state of incorporation of the Company; or (2) if allowed by applicable state law, the written consent of the holders of a majority, or such greater percentage as may be required by Applicable Laws of the state of incorporation of the Company, of the securities of the Company entitled to vote; *provided* that such ratification occurs no later than the date of the next annual meeting of shareholders;

unless the securities so acquired are held by the Officer or Director for six (6) months following the date of such acquisition, *provided* that this condition shall be satisfied respecting a derivative security if at least six months elapse from the date of acquisition of the derivative security to the date of disposition of the derivative security (other than upon exercise or conversion) or its underlying equity security.

All of the foregoing restrictions and limitations are based on the governing provisions of the Exchange Act and the rules and regulations promulgated thereunder as of the date of adoption of this Plan. If at any time, the governing provisions are amended to permit an Option, Stock Purchase Right, or Restricted Stock Unit to be granted or exercised according to Rule 16b-3 or any amendment or successor rule of like tenor without one or more of the foregoing restrictions or limitations, or the terms of such restrictions or limitations are modified, the Administrator may award Options, Stock Purchase Rights, or Restricted Stock Units to Directors and Officers and may modify outstanding Options, Stock Purchase Rights, or Restricted Stock Units per such changes, all to the extent that such action by the Administrator does not disqualify the Options, Stock Purchase Rights, or Restricted Stock Units from exemption under the provisions of Rule 16b-3 or any amendment or successor rule of similar tenor.

**17. Adjustments upon Changes in Capitalization, Dissolution, Merger or Asset Sale.**

(a) Changes in Capitalization. Subject to any required action by the shareholders of the Company, the number of Shares of Common Stock covered by each outstanding Option, Stock Purchase Right, Restricted Stock Unit and Performance Stock award, the number of Shares of Common Stock that have been authorized for issuance under the Plan but as to which no Options, Stock Purchase Rights, Restricted Stock Units or Performance Stock awards have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Option or Stock Purchase Right, or the forfeiture of a Restricted Stock Unit or nonperformance of a Performance Stock award, as well as the price per Share of Common Stock covered by each such outstanding Option, Stock Purchase Right, Restricted Stock Unit and Performance Stock award shall be proportionately adjusted for any increase or decrease in the number of issued Shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of issued Shares of Common Stock effected without receipt of consideration by the Company; *provided, however*, that conversion of any convertible securities of the Company shall not be deemed to have been effected without receipt of consideration within the meaning of the

preceding clause. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made to, the number or price of Shares of Common Stock subject to an Option, Stock Purchase Right, Restricted Stock Unit and Performance Stock award.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator shall notify each Optionee or Participant as soon as practicable before the effective date of such proposed transaction. The Administrator in its discretion may provide for an Optionee to have the right to exercise his or her Option until 10 days before such transaction as to all of the Optioned Stock covered thereby, including Shares as to which the Option would not otherwise be exercisable. In addition, the Administrator may provide that any Company repurchase option applicable to any Shares purchased upon exercise of an Option or Stock Purchase Right shall lapse as to all such Shares, *provided* the proposed dissolution or liquidation takes place at the time and in the manner contemplated. To the extent, an Option or Stock Purchase Right has not been previously exercised, or to which a Restricted Stock Unit has not vested, or the performance criteria of a Performance Stock award has not been met, the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award, will terminate immediately before the consummation of such proposed action.

(c) Merger or Asset Sale. In the event of a merger of the Company with or into another corporation, or the sale of substantially all of the assets of the Company, each outstanding Option, Stock Purchase Right, Restricted Stock Unit and Performance Stock award, shall be assumed or an equivalent Option, Stock Purchase Right, Restricted Stock Unit and Performance Stock award substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. Respecting Options or Restricted Stock Units granted to an Outside Director under Section 16 that are assumed or substituted for, if following such assumption or substitution the Optionee's or Participant's status as a Director or a director of the successor corporation, as applicable, is terminated other than upon a voluntary resignation by the Optionee or Participant, then the Optionee shall fully vest in and have the right to exercise the Option as to all of the Optioned Stock, including Shares as to which it would not otherwise be vested or exercisable, and the Participant's Restricted Stock Units shall fully vest and the Shares shall be issued.

If the successor corporation refuses to assume or substitute for the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award, the Optionee shall fully vest in and have the right to exercise the Option or Stock Purchase Right as to all of the Optioned Stock, including Shares as to which it would not otherwise be vested or exercisable, the Participant's Restricted Stock Units shall fully vest and the Shares shall be issued, and the Participant's Performance Stock award shall be deemed to have been fulfilled and the Shares shall be issued. If an Option or Stock Purchase Right becomes fully vested and exercisable in lieu of the assumption or substitution in the event of a merger or sale of assets, the Administrator shall notify the Optionee in writing or electronically that the Option or Stock Purchase Right shall be fully vested and exercisable for 15 days from the date of such notice, and the Option or Stock Purchase Right shall terminate upon the expiration of such period.

For the purposes of this subsection, the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award shall be considered assumed if, following the merger or sale of assets, the Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award confers the right to purchase or receive, for each Share of Optioned Stock subject to the Option or Stock Purchase Right, Restricted Stock Unit or Performance Stock award immediately prior to



the merger or sale of assets, the consideration (whether stock, cash or other securities or property) received in the merger or sale of assets by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); *provided, however*, that if such consideration received in the merger or sale of assets is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Option or Stock Purchase Right, the vesting of the Restricted Stock Unit, or satisfaction of any Performance Stock award, to be solely common stock of the successor corporation or its Parent equal in Fair Market Value to the per Share consideration received by holders of Common Stock in the merger or sale of assets.

18. **Date of Grant.** The date of grant of an Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award shall be, for all purposes, the date on which the Administrator makes the determination granting such Option, Stock Purchase Right, Restricted Stock Unit or Performance Stock award or such other later date as is determined by the Administrator. Notice of the determination shall be provided to each Optionee or Participant within a reasonable time after the date of such grant.

19. **Amendment and Termination of the Plan.**

(a) **Amendment and Termination.** The Board may at any time amend, alter, suspend, or terminate the Plan.

(b) **Shareholder Approval.** The Company shall obtain shareholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) **Effect of Amendment or Termination.** No amendment, alteration, suspension or termination of the Plan shall impair the rights of any Optionee or Participant unless mutually agreed otherwise between the Optionee or Participant and the Administrator, which agreement must be in writing and signed by the Optionee or Participant and the Company. Termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder respecting Options or Restricted Stock Units granted under the Plan before the date of such termination.

20. **Conditions to Issuance of Shares.** The Company shall not be required to issue or deliver any Shares purchased upon the exercise of any Option or portion thereof, or according to any Award before fulfillment of all of the following conditions:

(a) **Legal Compliance.** The issuance and delivery of such Shares shall comply with Applicable Laws and shall be further subject to the approval of counsel for the Company respecting such compliance.

(b) **Investment Representations.** The Company may require the person exercising such Option or receiving Shares according to any Award, to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

(c) **Full Payment.** The receipt by the Company of full payment for such Shares, including payment of any applicable withholding tax determined by the Administrator, which in the sole discretion of the Administrator may be in the form of consideration used by the Holder to



pay for such Shares. The Company may agree to withhold such amounts from the Shares delivered under the Option, in the complete and sole discretion of the Administrator.

(d) **Shareholders Agreement.** The Company may require the person exercising such Option or Stock Purchase Right or whose Restricted Stock Unit is vesting, or under a Performance Award Agreement, to sign A Shareholders Agreement or such similar agreement as a condition of the issuance of Shares pursuant, as provided in Section 11; and

21. **Inability To Obtain Authority.** The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

22. **Reservation of Shares.** The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

23. **Shareholder Approval.** The Plan shall be submitted for the approval of the Company's shareholders within twelve (12) months after the date of the Board's initial adoption of the Plan. Awards may be granted or awarded before such shareholder approval, provided that such Awards shall not be exercisable, shall not vest and the restrictions thereon shall not lapse before the time when the Plan is approved by the shareholders and provided further that if such approval has not been obtained at the end of said twelve (12) month period, all Awards previously granted or awarded under the Plan shall thereupon be canceled and become null and void.

24. **Privileges of Stock Ownership; Voting and Dividends.** No Optionee or Participant will have any of the rights of a shareholder until the Shares are issued to the Optionee or Participant. After Shares are issued to the Optionee or Participant, the Optionee or Participant will be a shareholder and will have all the rights of a shareholder for such Shares, including the right to vote and receive all dividends or other distributions made or paid concerning such Shares; provided, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive respecting such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock.

25. **Governing Law and Jurisdiction.**

(a) The Plan shall be governed by the laws of the State of Nevada, excluding its conflicts or choice of law rules or principles that might otherwise refer construction or interpretation of this Plan to the substantive law of another jurisdiction.

(b) The Company and any party or Service Provider receiving any award hereunder, by the acceptance of such award, hereby consents to the nonexclusive jurisdiction of all state and federal courts having jurisdiction in Los Angeles County, California, as well as to the jurisdiction of all courts to which an appeal may be taken from such courts, for any Proceeding (as defined above) arising out of, or in connection with, the Plan or any of the related agreements or any of the transactions contemplated hereby or thereby.

(c) Each Party covenants that it shall not challenge or set aside any decision, award, or judgment obtained under the provisions hereof.

(d) Each of the Parties hereto hereby expressly waives any objections it may have to jurisdiction or venue, including the inconvenience of such forum, in any of such courts.

I certify that the foregoing 2020 Long-Term Incentive Plan was duly adopted by the Board of Directors effective as of September 22, 2020

Executed at Long Beach, California, on September 23, 2020.

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By: Thomas K. Emmitt  
Its: President and Secretary

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## BAKHU HOLDINGS, CORP.

### AUDIT COMMITTEE CHARTER

September 22, 2020

#### PURPOSE

The Audit Committee (the “**Committee**”) of Board of Directors (the “**Board**”) of **Bakhu Holdings, Corp.**, a Nevada corporation (the “**Company**”), is appointed by the Board. This Audit Committee Charter (the “**Charter**”) specifies the scope of authority and responsibility of the Committee and amends and restates any previous charter of the Committee.

The purpose of the Committee is to assist the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, and financial reporting practices of the Company, and to perform such other duties as may be directed to the Committee by the Board. The Committee’s role includes monitoring and overseeing the Company’s financial reporting, the Company’s management of business and financial risk, and compliance with significant legal, ethical, and regulatory requirements. The Committee is also directly responsible for the appointment, compensation, and oversight of the public accounting firm engaged to prepare or issue an audit report on the financial statements of the Company. Notwithstanding these duties of the Committee, it is understood that the Committee’s responsibilities do not include planning or conducting audits or determining that the Company’s financial statements are accurate, complete, and prepared in accordance with generally accepted accounting principles. Such matters are the responsibility of management and the Company’s independent auditor. It is not the duty of the Committee to resolve disagreements between management and the independent auditor or to ensure compliance with applicable laws, regulations, or rules promulgated by the Trading Market (as defined below) (the “**Trading Market Rules**”).

For the purpose of this Charter, “**Trading Market**” means whichever of the New York Stock Exchange, the NYSE-AMEX, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market, or the OTC Markets on which the common stock of the Company is listed or quoted for trading, on the date in question.

*Notwithstanding anything in this Charter to the contrary, until such time as the Company has appointed the requisite minimum number of independent directors, according to the rules of the applicable Trading Market, the entire Board shall serve as the Audit Committee.*

#### MEMBERSHIP AND PROCEDURES

**Membership and Appointment.** The Committee will be comprised of not fewer than two members of the Board who, to the extent required by the Trading market on which the Company’s is listed or quoted, are independent directors who can read and understand fundamental financial statements, with the exact number determined by the Board. Members of the Committee will be appointed from time to time by the Board based on recommendations from a Nominating Committee that is comprised solely of independent directors or by a majority of the independent directors. No member of the Committee may serve on more than three audit committees of publicly traded companies (including this Committee) at the same time, except as may otherwise be approved in advance by the Board. For this purpose, service on the audit committees of a parent and its substantially owned subsidiaries counts as service on a single audit committee.





**Removal and Resignation.** The entire Committee or any individual Committee member may be removed from the Committee with or without cause by the affirmative vote of a majority of the Board. Any Committee member may resign from the Committee effective upon giving notice in writing or by electronic transmission to the Chairman of the Board, the Corporate Secretary, or the entire Board (unless the notice specifies a later time for the effectiveness of the resignation, in which case the resignation will be effective as of the specified time). The Board may appoint a qualified successor to take office when the resignation becomes effective.

**Qualifications.** Each member of the Committee will be independent as defined under the applicable Trading Market Rules and applicable rules and regulations of the Securities and Exchange Commission (the “SEC”). No member of the Committee will have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the three years immediately preceding the date of such member’s appointment. Each member of the Committee will be generally knowledgeable in financial and auditing matters and be able to read and understand fundamental financial statements, including a company’s balance sheet, income statement, and cash flow statement.

**Chairperson.** A chairperson of the Committee (the “Chairperson”) may be designated by the Board upon the recommendation of the Nominating Committee that comprised solely of independent directors, or by a majority of the independent directors. In the absence of such designation, the members of the Committee may designate the Chairperson by majority vote of the Committee. The Chairperson will determine the agenda, frequency, and length of the meetings and will have unlimited access to management and information. The Chairperson will establish such other rules as he or she may from time to time deem necessary and proper for the conduct of the business of the Committee.

**Secretary.** The Committee may appoint a secretary whose duties and responsibilities will be to keep full and complete records of the proceedings of the Committee for the purposes of reporting Committee activities to the Board and to perform all other duties as may from time to time be assigned to him or her by the Committee or otherwise at the direction of a Committee member. If no secretary is appointed, any member of the Committee may serve as secretary of a meeting. The secretary need not be a member of the Committee or the Board. The Committee may assign the secretary’s duties to the Company’s legal counsel or to a member of the Company’s management team.

**Meetings.** The Committee will meet as frequently as circumstances dictate but not less frequently than quarterly. Meetings may be held in conjunction with regularly scheduled meetings of the Board or otherwise. Except as otherwise specified herein, the Committee is generally governed by the same rules regarding meetings (including meetings by telephone or similar communications equipment), written action without meetings, notice, waiver of notice, quorum, and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with any provision of the Charter, any provision of the Bylaws of the Company, the laws of the state of Nevada or any applicable law, rule, regulation, or Trading Market Rules. Minutes will be kept of each Committee meeting.

**Delegation.** The Committee may, by resolution passed by a majority of the Committee, designate one or more subcommittees, each subcommittee to consist of one or more members of the Committee. Any subcommittee, to the extent provided in the resolutions of the Committee, and to the extent not limited by law or the Trading Market Rules, will have and may exercise all the powers and authority of the Committee, including authority to approve of audit and non-audit services by the independent auditor. Each subcommittee will have such name as may be determined by resolution adopted by the Committee. Each subcommittee will keep regular minutes of its meetings and report the same to the Committee or the

Board at its scheduled meetings. A subcommittee may have a published charter, as determined by the Committee.

***Authority to Retain and Terminate Advisers.*** The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee has authority to retain, at the Company's expense, outside counsel or other experts or consultants as it deems necessary to carry out its responsibilities, including authority to approve fees, other retention terms, and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee is empowered to investigate any matter brought to its attention that is within the Charter, with full power to retain outside counsel or other experts for this purpose. The Committee will be provided with appropriate funding by the Company, as the Committee determines, for the payment of compensation to outside counsel and other experts and consultants as it deems appropriate and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications. All independent auditors shall report directly to the Committee.

***Annual Performance Evaluation.*** The Committee will evaluate its performance on an annual basis, either separately or in conjunction with an annual evaluation of the full Board. The Committee shall also review and reassess the adequacy of this Charter on an annual basis.

## **DUTIES AND RESPONSIBILITIES**

The Committee will perform the duties and responsibilities set forth below. This is to be used as a guide, with the understanding that the Committee may alter or supplement its tasks as appropriate and as permitted by applicable law, regulation, or listing requirements.

1. The Committee will be directly responsible for the appointment, compensation, retention and oversight of the work of the Company's independent auditor. The Committee will have the authority to appoint, dismiss, oversee, and determine the engagement terms of the Company's independent auditor. Annually, the Committee will retain the Company's independent auditor, which may be subject to stockholder ratification as may be required or as the Committee may seek.

2. The Committee will preapprove the provision of all audit services and non-audit services by the independent auditor to the Company and its subsidiaries and will also approve all audit and non-audit engagement fees and terms with the independent auditor. The Committee may delegate authority to grant preapprovals to one or more Committee members, provided that the preapprovals are reported to the full Committee at its regularly scheduled meetings. The Chairperson, or other member of the Committee, will sign an engagement letter with the independent auditor.

3. In connection with the Committee's approval of non-audit services, the Committee will consider, among other things, whether the independent auditor's performance of any non-audit services is compatible with the independence of the independent auditor.

4. The Committee will obtain and review a formal written statement from the independent auditor delineating all relationships between the independent auditor and the Company, in order to assess the auditor's independence, consistent with Independence Standards Board Standard 1, as amended from time to time, and other applicable standards, and any other documents or disclosures required by such standards. The report shall include a description of all services provided by the independent auditors and

related fees. The Committee shall discuss and will actively engage in dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the auditor's objectivity and independence and will take, or recommend to the Board to take, appropriate action to oversee the independence of the independent auditor.

5. The Committee will review and discuss with the independent auditor the report by the independent auditor, which is required by Section 10A of the Securities Exchange Act of 1934, as amended, concerning:

- (a) all critical accounting policies and practices to be used;
- (b) alternative treatments of financial information within generally accepted accounting principles (GAAP) that have been discussed with management, ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
- (c) any other material written communications between the independent auditor and the Company's management.

6. The Committee will discuss the annual audited financial statements and quarterly financial statements with management, the Company's internal finance department and the independent auditor, including the Company's disclosures under the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in the Company's reports filed with the SEC, including its Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q and the independent auditor's opinion with respect to the financial statements in the Form 10-K.

7. In connection with its review of the Company's financial statements, the Committee will review and discuss with management, the internal finance staff, and the independent auditor the matters relating to the conduct of the audit required to be discussed by Statement on Auditing Standards No. 114 (AICPA, *Professional Standards*, Vol. 1, AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, as they may be modified or supplemented, including the auditor's judgment about the quality of the Company's accounting principles as applied in its financial reporting.

8. Based on its review and discussions with management, the internal finance staff, and the independent auditor, the Committee will recommend to the Board whether the Company's financial statements should be included in the Company's Annual Report on Form 10-K and any other annual report to stockholders.

9. If applicable, the Committee will produce the Audit Committee Report required by Item 407(d) of Regulation S-K for inclusion in the Company's proxy statement on Schedule 14A or information statement on Schedule 14C.

10. The Committee will ensure that a current copy of this Charter is available to security holders on the Company's website. If a current copy of the Charter is not so available, the Committee will ensure that management includes a current copy of the Charter in an appendix to the Company's proxy or information statement that is provided to security holders at least once every three fiscal years or if the Charter has been materially amended since the beginning of the Company's latest fiscal year, unless otherwise required by the SEC or Trading Market Rules.

11. The Committee will generally discuss earnings press releases as well as financial information and earnings guidance, if any, provided to financial analysts, investors, and rating agencies before such information is communicated publicly.

12. The Committee is expected to maintain free and open communication with the independent auditor, the internal finance staff, and management. Periodically, the Committee will meet separately with each of management, the finance staff, internal auditors, and the independent auditor.

13. The Committee will review with the independent auditor any audit problems or difficulties and management's handling of such matters.

14. The Committee will review any situation where the Company wishes to hire an employee or former employee of the Company's independent auditor.

15. The Committee will periodically monitor the Company's policies with respect to financial risk assessment and risk management, particularly with respect to the Company's potential exposure to significant liability claims or catastrophic losses (and the levels of insurance related thereto).

16. Periodically, the Committee will review with management, the finance staff, and the independent auditor the adequacy and effectiveness of, and any significant changes in, the Company's systems and controls for monitoring and managing legal and regulatory compliance, including the Company's disclosure controls and procedures and the Company's internal control over financial reporting. Additionally, the Committee will review with the Company's principal executive officer and principal financial officer how they are meeting their obligations under the certification requirements of Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 ("SOX"), and review the principal executive officer's and principal financial officer's evaluations of the Company's disclosure controls and procedures. The Committee will also review with the independent auditor and management steps that the Company is taking to review and assess its internal control over financial reporting in anticipation of filing the first "internal control report of management" required under Section 404 of SOX.

17. The Committee will establish procedures for: (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by the Company's employees of concerns regarding accounting or auditing matters.

18. The Committee will communicate to the Board any issues and recommendations for action with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor, or the performance of the independent audit function.

19. The Committee will review with the Chief Financial Officer of the Company the scope and plan of the work to be done by the internal audit function and the results of such work.

20. The Committee will conduct an appropriate review and oversight of all related-party transactions (as that term is defined in Item 404 of Regulation S-K) on an ongoing basis and all such transactions shall be approved by the Committee or another independent body of the Board.

21. The Committee will oversee the rotation of the audit partners of the Company's independent auditor as required by the SOX and the rules of the SEC.

## **RELIANCE ON INFORMATION PROVIDED**

In adopting this Charter, the Board acknowledges that the Committee members are not necessarily legal experts, are not themselves compiling the Company's financial data or performing the audit function, and are not providing any expert or special assurance as to the Company's legal, financial, or regulatory compliance. Each member of the Committee will be entitled to rely on the integrity of those persons and organizations within and outside the Company that provide information to the Committee and the accuracy and completeness of the information provided to the Committee by such persons or organizations absent actual knowledge to the contrary.

## **AMENDMENT**

The Charter, and any provision contained herein, may be amended or repealed by the Board.

# **BAKHU HOLDINGS, CORP.**

## **CODE OF ETHICS**

**September 22, 2020**

### **Introduction**

This Code of Ethics (this “**Code**”) sets forth policies of **Bakhu Holdings, Corp.**, a Nevada corporation (the “**Company**”), and governs the way it conducts itself and operates its business. The provisions of the Code are designed to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. All employees, officers, and directors of the Company must comply with the provisions of the Code. References to employees contained in the Code should be understood as referring to officers and non-employee directors as well.

The Company intends that the Code be its written code of ethics and that it comply with the standards outlined in Securities and Exchange Commission Regulation S-K Item 406.

In the course of performing various roles in the Company, each employee, officer, and director will encounter ethical questions in different forms and under a variety of circumstances. Moments of ethical uncertainty for employees, officers, and directors may arise in dealings with fellow employees, customers, or other parties such as government entities or members of our community. The Company’s employees should never be content with simply obeying the letter of the law, but must also strive to comport themselves honestly and ethically. The Code provides rules and procedures to help its employees, officers, and directors recognize and respond to situations that present ethical issues.

The reputation of the Company is its greatest asset and its value relies on the character of its employees. To protect this asset, the Company will not tolerate unethical behavior. Those who violate the standards in the Code will be subject to disciplinary action. If employees, officers, and directors are concerned about taking an action that may violate the Code or are aware of a violation by another employee, an officer, or a director, they should follow the guidelines outlined in Sections 6 and 7 of the Code.

### **1. Compliance with Laws, Rules, and Regulations**

As a U.S. company with international sales, the Company is subject to laws and regulations both in the United States and abroad. Company policy requires that all employees, officers, and directors of the Company comply fully with both the spirit and the letter of all laws, rules, and regulations. Whenever an applicable law, rule, or regulation is unclear or seems to conflict with either another law or any provision of the Code, all employees, officers, and directors are urged to seek clarification from their supervisor, the Ethics Officer, if one has been appointed, or the Company employee designated to handle such matters, whose contact information is outlined in Section 6 below. The Code is in addition to, and should be read in conjunction with, the Company’s existing policies, practices, and procedures, including, but not limited to, the Company’s policies on securities trades, proprietary inventions, trade secrets, and employee conduct/harassment.

Approved by the Board of Directors on September 22, 2020

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## **2. Conflicts of Interest**

Every employee has a primary business responsibility to the Company and must avoid conflicts of interest. A conflict of interest arises when an employee takes actions or enters into relationships that could oppose the interests of the Company or could interfere with the employee's performance or independent judgment when carrying out his or her duties. The Company strictly prohibits its employees from taking any action or entering into any relationship that creates, or even appears to create, a conflict of interest without the prior approval of a supervisor. The Company's principal executive officer, principal financial officer, principal accounting officer, and the controller must receive approval of the Board of Directors (the "**Board**") or a Board committee before taking any action or entering into any relationship that creates, or even appears to create, a conflict of interest. For purposes of determining whether a conflict exists, the actions of an employee's immediate family members are treated as those of the employee and are therefore subject to the same considerations.

To avoid such conflicts, an employee may not receive any payments, compensation, or gifts, other than gifts of nominal value and in compliance with applicable laws, from any entity that does business or seeks to do business with the Company. Furthermore, employees may not use Company property, information, or influence or their position in the Company for personal gain. Employees must be sensitive to other potential conflicts of interest that may arise and use their best efforts to avoid the conflict.

If an employee has any questions regarding the Company's policy on conflicts of interest or needs assistance in avoiding a potential conflict of interest, he or she is urged to seek the advice of a supervisor or the Ethics Officer.

## **3. Fair Dealing**

Although the success of the Company depends on its ability to outperform its competitors, the Company is committed to achieving success by fair and ethical means. The Company seeks to maintain a reputation for honesty and fair dealing among its competitors and the public alike. In light of this aim, the Company prohibits employees from engaging in any dishonest, unethical, or illegal business practices. An exhaustive list of unethical practices cannot be provided. Instead, the Company relies on the judgment of each employee to avoid such practices. Furthermore, each employee should endeavor to deal fairly with the Company's customers, suppliers, competitors, and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair business practice.

## **4. Books and Records, Accounting Controls and Disclosures**

The Company requires that all its books and records be maintained accurately and with honesty. This requires that no fund, asset, liability, revenue, or expense be concealed or improperly or incompletely recorded for any purpose. All entries must be supported by documentation adequate to permit the books and records to be verified by audit. Proper accounting requires not only careful compliance by the Company's accountants but also the cooperation of all employees who are involved in keeping financial records of any type.

The Company's accounting controls and procedures are essential to ensuring the accurate reporting of the Company's financial information. The Audit Committee of the Board, if one has been established, has the responsibility of reviewing the Company's policies and practice concerning financial reporting. By conducting this review, the Audit Committee of the Board helps the Company identify deficiencies in its practices so that they can be promptly corrected. Auditors will have unrestricted



access to all Company documents and records. All employees are required to cooperate fully with internal and external audits, especially as it relates to audits of the Company's systems of internal controls, financial statements, or accounting books and records. In no case may an employee make a false or misleading statement to any internal or external auditor, withhold records, or otherwise interfere with an audit. No employees should coerce, manipulate, mislead, or unduly influence any auditor. An employee who knows any unreported or improperly reported financial activity must report such information to a supervisor, the Ethics Officer, or the Board.

The Company recognizes that the investment community derives information regarding the Company's financial condition primarily from the Company's filings with the Securities and Exchange Commission. To promote the transparency of its financial operations, the Company has a strict policy requiring that all filings with the Securities and Exchange Commission be fair, accurate, timely, and understandable.

## 5. Waivers

The Company expects all employees, officers, and directors to comply with the provisions of the Code. Any waiver of the Code for executive officers or directors may be made only by the Board and will be promptly disclosed to the public as may be required by law and the rules of such exchange on which the Company's shares are traded. When necessary, a waiver will be accompanied by appropriate controls designed to protect the Company.

## 6. Compliance Resources

In some situations, an employee may be uncertain how to comply with the Code. This uncertainty may concern the ethical nature of the employee's acts or the employee's duty to report the unethical acts of another. When determining the proper course of action, the employee should carefully analyze the situation and seek guidance from his or her supervisor, the Ethics Officer, or other appropriate personnel according to the following four steps:

A. Gather all the facts. Do not take any action that may violate the Code until he or she has gathered all the facts that are required to make a well-informed decision and, if necessary, he or she has consulted with a supervisor or the Ethics Officer.

B. Action illegal or contrary to the Code. If an employee believes that the Code has been violated by an employee, an officer, or a director, he or she must promptly report the violation under the procedures provided in Section 7.

C. Discuss the problem with your supervisor. Supervisors must assist employees in complying with the Code. Employees should feel free to discuss the situation with their supervisor if they have any questions. Employees will not suffer retaliation for seeking such guidance.

D. If necessary, seek additional resources. The Ethics Officer will initially be the Company's Chief Financial Officer, unless and until a successor Ethics Officer is appointed. The Ethics Officer and/or Company counsel will be available to speak with employees about problematic situations if they do not feel comfortable approaching their direct supervisor. Employees may also request assistance in writing by sending a request to the Ethics Officer and/or the Company's legal counsel, \_\_\_\_\_.

## 7. Reporting Procedures

All employees must report any violations of the Code, as well as violations of any laws, rules, or regulations. Employees also must report any transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

If an employee is aware of a potential conflict of interest or believes that the Code has been violated by an employee, he or she must promptly report the violation to his or her direct supervisor or the Ethics Officer. If a report is made to a supervisor, the supervisor must in turn report the violation to the Ethics Officer. All violations by an officer or director of the Company must be reported directly to the Ethics Officer. Employees may also choose to report any violations regarding record keeping, financial accounting, or financial reporting to the Chairman of the Audit Committee of the Board, under the Company's reporting procedures.

Reports may be made in person, by e-mail, by telephone, or in writing by sending a description of the violation and the names of the parties involved to the appropriate personnel mentioned in the preceding paragraph. Reports to the Ethics Officer may be sent to the following address: **Bakhu Holdings, Corp., One World Trade Center, Suite 130, Long Beach, CA 90831**. Reports to the Audit Committee of the Board should be submitted to the Chairman of the Audit Committee of the Board of Directors at the same address.

When reporting a violation, an employee may choose to remain anonymous. However, if an employee makes an anonymous report, he or she should create and preserve a record of this report to be able to demonstrate compliance with the requirement of reporting violations. Generally speaking, every effort will be made to maintain the confidentiality of reports of potential violations. However, there may be a point when the identity of the reporting employee may become known or may have to be revealed in the course of the investigation or to take corrective action.

***The Company does not permit retaliation of any kind against employees for good faith reports of ethical violations.*** Any employee who attempts to or encourages others to retaliate against an individual who has reported a violation will be subject to disciplinary action.

## 8. Disciplinary Action

The Company has implemented the following disciplinary policies to ensure that prompt and consistent actions are taken in response to violations of the Code:

A. Range of Penalties. All violations of the Code will be treated seriously and will result in the prompt imposition of penalties which may include: (1) an oral or written warning, (2) a reprimand, (3) suspension, and/or (4) termination. Violations will also be reported to the appropriate regulatory agencies or other authorities.

B. Disciplinary Process. The penalty for a particular violation will be decided on a case-by-case basis and will depend on the nature and severity of the violations as well as the employee's history of noncompliance and cooperation in the disciplinary process. Significant penalties will be imposed for violations resulting from intentional or reckless behavior. Penalties may also be imposed when an employee fails to report a violation due to the employee's indifference, deliberate ignorance, or reckless conduct. When there is credible evidence of a violation, the Ethics Officer will determine the appropriate sanction with the assistance of the Company's counsel and the Audit Committee of the Board.

C. Consistent Enforcement. The Company intends to give consistent, equal treatment to all employees, officers, and directors for the imposition of disciplinary measures. Under this policy, all employees will be subject to the same disciplinary action for the commission of a similar offense.

## **9. Dissemination and Amendment**

The Code shall be distributed to each new employee, officer, and director of the Company upon commencement of his or her employment or other relationship with the Company and shall also be distributed annually to each employee, officer, and director of the Company, and each employee, officer, and director shall sign an acknowledgment that he or she has received, read, and understood the Code and will comply with its terms.

The Company reserves the right to amend, alter, or terminate the Code at any time for any reason. The most current version of the Code can be obtained from the Company's Ethics Officer.

This document is not an employment contract between the Company and any of its employees, officers, or directors.

Approved by the Board of Directors on September 22, 2020

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