

AMENDMENT NO. 2 TO THE AMALGAMATION AGREEMENT

THIS AMENDMENT NO. 2 TO AMALGAMATION AGREEMENT (this “**Amendment**”) is dated October 13, 2020, and is between CE BRANDS INC., an Alberta corporation, 1233336 B.C. LTD., a British Columbia corporation, and EBUYNOW ECOMMERCE LTD., a British Columbia corporation.

WHEREAS, the parties executed an Amalgamation Agreement dated March 12, 2020, as amended by Amendment No. 1 to the Amalgamation Agreement dated March 27, 2020 (collectively, the “**Existing Agreement**”); and

WHEREAS, the parties wish to amend the Existing Agreement on the terms stated in this Amendment;

NOW THEREFORE, the parties agree as follows:

1. **Definitions.** Capitalized terms that are used, but not defined, in this Amendment have the meanings give to them in the Existing Agreement.
2. **Amendments.**
 - (a) The definition of “**Outside Time**” in Section 1.1 [*Definitions*] of the Existing Agreement is hereby deleted in its entirety and replaced with the following new definition in the appropriate alphabetical order:

“**Outside Time**’ means 4:00 p.m. (Mountain Time) on December 31, 2020, or such later time as the Parties may agree upon in writing.”
 - (b) The definition of “**Public Offering**” in Section 1.1 [*Definitions*] of the Existing Agreement is hereby deleted in its entirety and replaced with the following new definition in the appropriate alphabetical order:

“**Public Offering**’ means the long form prospectus offering of CEBI Subscription Receipts for maximum gross proceeds of \$15,000,000.”
 - (c) Section 1.1 [*Definitions*] of the Existing Agreement is hereby amended by inserting the following new definitions in the appropriate alphabetical order:

“**Regulation D**’ means Regulation D adopted by the SEC under the U.S. Securities Act.”

“**Regulation S**’ means Regulation S adopted by the SEC under the U.S. Securities Act.”

“**Resulting Issuer Securities**’ means the Resulting Issuer Shares, Resulting Issuer Options, and Resulting Issuer Warrants.”

“‘**SEC**’ means the U.S. Securities and Exchange Commission.”

“‘**U.S.**’ means the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia.”

“‘**U.S. Person**’ means a ‘U.S. person’ as defined by Rule 902 of Regulation S or a Person or Company in the U.S.”

“‘**U.S. Securities Act**’ means the U.S. Securities Act of 1933, as amended.”

- (d) Article 2 of the Existing Agreement is hereby amended by inserting the following new section:

“2.14 Treatment of Restricted Securities under the U.S. Securities Act.

(a) The Parties acknowledge that:

- (i) the Resulting Issuer Securities to be issued to or for the account or benefit of any former EBN Securityholder that is a U.S. Person in connection with the Amalgamation and Option and Warrant Exchange will be: (A) issued in reliance on the registration exemption in Rule 506(b) of Regulation D under the U.S. Securities Act, and (B) ‘restricted securities’ within the meaning of Rule 144(A)(3) under the U.S. Securities Act; and
- (iii) each certificate representing the Resulting Issuer Securities will bear a legend in substantially the following form:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE ‘U.S. SECURITIES ACT’) OR UNDER ANY STATE SECURITIES LAWS AND ARE ‘RESTRICTED SECURITIES’ AS THAT TERM IS DEFINED IN RULE 144 UNDER THE U.S. SECURITIES ACT. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF CE BRANDS INC. (THE ‘ISSUER’) THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED ONLY (A) TO THE ISSUER; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE UNITED STATES STATE LAWS AND REGULATIONS AND

APPLICABLE LOCAL LAWS AND REGULATIONS; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER PROVIDES TO THE ISSUER AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE ISSUER TO SUCH EFFECT.

- (b) EBN shall cause each EBN Shareholder, EBN Optionholder, and EBN Warrantholder that is a U.S. Person to execute and deliver a certificate, in form satisfactory to CEBI, confirming the availability of the registration exemption in Rule 506(b) of Regulation D under the U.S. Securities Act in connection with the Amalgamation and Option and Warrant Exchange.
- (c) Each party shall take all such further actions (including the preparation, execution, and delivery of all such further documents and instruments) that the other parties, acting reasonably, determine to be necessary or advisable to ensure that the Amalgamation and Option and Warrant Exchange comply with U.S. federal and state securities laws.”
- (e) Section 3.1 of the Existing Agreement is hereby amended by inserting the following new subsection:

“(z) ***U.S. Securities Laws.***

- (i) CEBI is a ‘foreign issuer’, as defined in Regulation S, and reasonably believes that there is no ‘substantial U.S. market interest’, as defined in Regulation S, in any Securities of CEBI.
- (ii) Except with respect to offers and sales to U.S. Persons that are “accredited investors”, as defined in Rule 501(a) of Regulation D, neither CEBI nor any Person or Company acting on its behalf, has made or will make to any U.S. Person in connection with the Amalgamation, or Option and Warrant Exchange, any offer to sell,

any solicitation to buy, or any sale of Securities of CEBI or EBN.

- (iii) Neither CEBI nor any Person or Company acting on its behalf has made or will make in connection with the Amalgamation or Option and Warrant Exchange any ‘directed selling efforts’, as defined in Regulation S, in the U.S. with respect to Securities of CEBI or EBN, or has engaged or will engage in any form of ‘general solicitation’ or “general advertising”, as defined in Regulation D, including advertisements, articles, notices, or other communications published in any newspaper, magazine, or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.
- (f) Section 3.2 of the Existing Agreement is hereby amended by inserting the following new subsection:

“(hh) *U.S. Securities Laws.*

- (i) EBN is a ‘foreign issuer’, as defined in Regulation S, and reasonably believes that there is no ‘substantial U.S. market interest’, as defined in Regulation S, in any Securities of EBN.
 - (ii) Except with respect to offers and sales to U.S. Persons that are ‘accredited investors’, as defined in Rule 501(a) of Regulation D, neither EBN nor any Person or Company acting on its behalf, has made or will make to any U.S. Person in connection with the Amalgamation or Option and Warrant Exchange, any offer to sell, any solicitation to buy, or any sale of Securities of CEBI or EBN.
 - (iii) Neither EBN nor any Person or Company acting on its behalf has made or will make in connection with the Amalgamation or Option and Warrant Exchange any ‘directed selling efforts’, as defined in Regulation S, in the U.S. with respect to Securities of CEBI or EBN, or has engaged or will engage in any form of ‘general solicitation’ or “general advertising”, as defined in Regulation D, including advertisements, articles, notices, or other communications published in any newspaper, magazine, or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.”
3. **Effective Time.** This Amendment takes effect at 12:01 a.m. (Mountain Time) on October 13, 2020 (the “**Effective Time**”).
4. **Limited Effect.** Except as expressly stated in this Amendment, all of the terms of the

terms of the Existing Agreement remain in full force and effect after the Effective Time.

5. **Miscellaneous.**

- (a) **Scope.** This Amendment constitutes the entire agreement between the parties with respect to its subject matter, and supersedes all other agreements or arrangements, whether written or oral, between the parties with respect to that subject matter.
- (b) **Further Acts.** Each party shall take all such further actions (including the preparation, execution, and delivery of all such further documents and instruments) that the other parties, acting reasonably, determine to be necessary or advisable to give effect to this Amendment.
- (c) **Enforceability.** If any provision of this Amendment is held to be unenforceable, then the parties shall construe that provision by modifying it to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case the parties shall disregard that provision. If the parties modify or disregard an unenforceable provision in accordance with this Section 5(c), then the rest of this Amendment will remain in effect as written, and the unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable.
- (d) **Amendment.** No amendment to this Amendment will be effective unless it is in writing and executed by all parties.
- (e) **Assignment.** This Amendment inures to the benefit of and binds the parties and their respective successors and permitted assigns. No party shall assign any of its rights or delegate any of its obligations under this Amendment without the prior written consent of the other parties. Any purported assignment or delegation in breach of this Section 5(e) will be void.
- (f) **Third-Party Beneficiaries.** This Amendment is for the sole benefit of the parties and their respective successors and assigns, and nothing in this Amendment, express or implied, is intended to confer upon any other Person any legal or equitable right or remedy of any nature whatsoever, under or by reason of this Amendment.
- (g) **Waivers.** No waiver of the satisfaction of a condition, or the failure to comply with an obligation, under this Amendment will be effective unless it is in writing and executed by the party granting the waiver, and no such waiver will constitute a waiver of the satisfaction of any other condition or the failure to comply with any other obligation.
- (h) **Expenses.** Each party shall bear the expenses incurred by it in connection with the preparation, execution, delivery, and performance of this Amendment.
- (i) **Independent Legal Advice.** Each party acknowledges that it has had the opportunity to seek independent legal advice about this Amendment and has

either obtained such advice or voluntarily chosen not to do so.

- (j) **Governing Law.** The laws of the Province of Alberta, and the laws of Canada applicable in that province, excluding any principle of conflicts of laws that may provide otherwise, govern the interpretation, and any dispute arising out, of this Amendment. The parties hereby attorn to the exclusive jurisdiction of the courts of the Province of Alberta in respect of any such dispute.
- (k) **Counterparts.** If the parties execute this Amendment in counterparts, then each such counterpart will be deemed an original and all such counterparts together will be deemed to constitute one document.

[SIGNATURE PAGE FOLLOWS]

The parties are signing this Amendment on the date stated in the introductory clause.

CE BRANDS INC.

Per: (signed) "David Henderson"
David Henderson
President and Chief Executive Officer

1233336 B.C. LTD.

Per: (signed) "David Henderson"
David Henderson
President and Chief Executive Officer

EBUYNOW ECOMMERCE LTD.

Per: (signed) "Craig Smith"
Craig Smith
President and Chief Executive Officer