

Third Agreement to Extend Convertible Debenture Term

This Agreement (the "**Agreement**") is entered into on this 21st day of February, 2025, (the "**Effective Date**") by and between Cannara Biotech Inc. ("**Cannara**") and Olymbec Investments Inc. ("**Olymbec**"). Collectively, Cannara and Olymbec may be referred to as the "Parties".

WHEREAS, Cannara and Olymbec entered into a Convertible Debenture Agreement dated June 21, 2021, and attached hereto as Schedule "A", identified as Debenture certificate No. "001" (the "**Original Agreement**") for a principal amount of \$5,700,000 (the "**Convertible Debenture**") with an initial maturity date of June 21, 2024, (the "**Initial Maturity Date**") bearing an interest rate of 4% per annum;

WHEREAS, Cannara and Olymbec entered into the first Agreement to Extend the Convertible Debenture Term dated August 31, 2023, and attached hereto as Schedule "B", (the "**First Extension Agreement**") which extended the term from the Initial Maturity Date until January 31, 2025 (the "**First Extended Maturity Date**") and granted Olymbec the right to demand a partial repayment of an amount not to exceed \$1,000,000 on the Initial Maturity Date.

WHEREAS, Cannara and Olymbec entered into a Second Agreement to Extend the Convertible Debenture Term dated January 30th, 2024, and attached hereto as Schedule "C" (the "**Second Extension Agreement**") which extended the term from the First Extended Maturity Date until September 30, 2025 (the "**Second Extended Maturity Date**") and granted Olymbec the right to demand a partial repayment of an amount not to exceed \$1,000,000 when combined with any other repayments already made by Cannara towards the principal amount of the Debenture (the "**Partial Repayment**") on the First Extended Maturity Date.

WHEREAS, Cannara and Olymbec desire to further extend the term of the Convertible Debenture until March 31, 2028, and for Olymbec to be granted an additional right to demand a second partial repayment on the Second Extended Maturity Date of an amount equal to half of the principal amount then outstanding pursuant to the Convertible Debenture;

WHEREAS, Cannara and Olymbec desire to amend the Convertible Debenture to remove Cannara's right to pay back interest owing pursuant to the Convertible Debentures in shares of Cannara at the Conversion Price following the Second Extended Maturity Date;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Cannara and Olymbec agree as follows:

1. **Extension of Convertible Debenture Term:** Cannara and Olymbec hereby agree to extend the term of the Convertible Debenture, originally identified as Debenture certificate No. "001," from the Second Extended Maturity Date to the new maturity date of March 31, 2028.

2. **Right to Demand Partial Repayment:** Olymbec shall have the right to demand the First Partial Repayment following the release of Cannara's next quarterly financial statements following the date first written above (currently scheduled for January 27th, 2025) provided that BMO has approved such payment. In the event that BMO will not grant their approval to make such a payment, Olymbec will be required to wait until the release of Cannara's next quarterly financial statements (currently scheduled for the end of March 2025) for Cannara to seek approval from BMO to make the payment.
3. **Right to Demand Second Partial Repayment:** Olymbec shall have the right to demand a second partial repayment on the Second Extended Maturity Date of an amount equal to half of the principal amount then outstanding pursuant to the Convertible Debentures.
4. **Interest and Repayment:** Section 3(a) of the Convertible Debenture shall be deleted in its entirety and replaced with the following:

Interest and Repayment. The Principal Amount bears interest at an annual rate of 10.75% per annum, compounded semi-annually and accrued until the Maturity Date, conversion or payment whichever first occurs. Subject to obtaining Disinterested Shareholder Approval and subject to obtaining the approval of the TSX.V prior to making any payment of interest in shares, the Corporation reserves the right to pay interest incurred prior to September 30, 2025, in cash or in Common Shares calculated using the Conversion Price (as defined herein) or a combination thereof at the discretion of the Corporation. On September 30, 2025, the Corporation shall pay all interest accrued up until that date. Any interest incurred following September 30, 2025, shall be paid in cash on a quarterly basis.
5. **Continuation of Other Terms:** Except as expressly modified herein, all other terms and conditions of the Original Agreement and all amendments thereto shall remain in full force and effect. This includes, but is not limited to, the interest rate, the conversion terms, the events of default, and the rights and obligations of the Parties under the Convertible Debenture.
6. **Warranties and Representations:** Cannara represents and warrants that, as of the Effective Date, there are no known events or conditions that would constitute an event of default under the Convertible Debenture.
7. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the province of Quebec without regard to its conflict of laws principles.
8. **Entire Agreement:** This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties.
9. **Amendment:** No amendment or modification of this Agreement shall be valid unless it is in writing and signed by both Parties.

10. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.
11. **Schedules:** The Original Agreement, identified as Debenture certificate No. "001," shall be annexed to this Agreement as Schedule A for reference, the First Extension Agreement shall be annexed to this Agreement as Schedule B for reference, and the Second Extension Agreement shall be annexed to this Agreement as Schedule C.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

OLYMBEC INVESTMENTS INC.

By: *(s) Richard Stern*

Name: Richard Stern

Title: President

CANNARA BIOTECH INC.

By: *(s) Nicholas Sosiak*

Name: Nicholas Sosiak

Title: Chief Financial Officer

SCHEDULE A
Convertible Debenture

UNSECURED CONVERTIBLE DEBENTURE

THIS DEBENTURE AND THE UNDERLYING SECURITIES REPRESENTED BY THIS DEBENTURE ARE SUBJECT TO CERTAIN RESALE RESTRICTIONS PURSUANT TO THE PROVISIONS OF THE *SECURITIES ACT* (BRITISH COLUMBIA) AND THE REGULATIONS THEREUNDER AND ANY SECURITIES FOR WHICH THIS DEBENTURE IS EXCHANGED ARE SUBJECT TO CERTAIN RESALE RESTRICTIONS PURSUANT TO THE *SECURITIES ACT* (BRITISH COLUMBIA) AND THE REGULATIONS THEREUNDER.

CANNARA BIOTECH INC.

UNSECURED CONVERTIBLE DEBENTURE BEARING INTEREST OF 4.0% PER ANNUM (the "Debenture")

Debenture Certificate No. «001»

\$5,700,000

1. Promise to pay

- (a) Principal terms of the Debenture. Cannara Biotech Inc. (the "Corporation") acknowledges its obligation and promises to pay to:

OLYMBEC INVESTMENTS INC.

(the "Holder") the amount of **\$5,700,000** (the "Principal Amount"), on the Maturity Date (hereinafter defined) or on any earlier date on which the Principal Amount may become payable according to the terms and conditions set forth herein. The Principal Amount bears interest according to Clause 3(a).

2. Reimbursement on Maturity Date

- (a) Maturity Date. The Debenture matures on the Maturity Date and become due and payable with interest if not converted prior to such date. On Maturity Date, the Corporation shall reimburse the Principal Amount then outstanding on the Debenture, including any capitalized and accrued interest thereon up to and including the day prior to Maturity Date.

3. Interest

- (a) Interest and Repayment. The Principal Amount bears interest at an annual rate of 4.00% per annum, compounded semi-annually and accrued until the Maturity Date, conversion or payment whichever first occurs. Subject to obtaining Disinterested Shareholder Approval and subject to obtaining the approval of the TSX.V prior to making any payment of interest in shares, the Corporation reserves the right to pay interest in cash or in Common Shares calculated using the Conversion Price (as defined herein) or a combination thereof at the discretion of the Corporation.
- (b) Arrears. Any arrears under this Debenture bear interest at the same rate as the Debenture, compounded annually and payable on demand.

4. Interpretation

- (a) Whenever used in this Debenture, the following words and terms have the meaning set forth below:
- (i) "Business Day" means any day except Saturday, Sunday or any statutory

holiday in the City of London, England

- (ii) **"Common Share"** means an Common share of the share capital of the Corporation;
- (iii) **"Conversion Price"** means \$0.18;
- (iv) **"Corporation"** shall have the meaning set forth in Clause 1(a) hereto;
- (v) **"Debenture"** means this debenture certificate together with all schedules thereto;
- (vi) **"Disinterested Shareholder Approval"** means the approval of the creation of a new "Control Person" obtained in accordance with Section 1.12 (e) of TSX.V policy 4.1;
- (vii) **"Event of Default"** shall have the meaning set forth in Clause 9(a) hereto;
- (viii) **"Holder"** shall have the meaning set forth in Clause 1(a) hereto;
- (ix) **"Maturity Date"** means the date that is three (3) years following the issuance of the Debenture;
- (x) **"Notice of Conversion by the Holder"** means the notice transmitted by the Holder to the Corporation, in accordance with Clause 6(c) hereto, in the form set forth in Schedule A hereto;
- (xi) **"Person"** means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, business trusts or other organizations, whether or not legal entities and governments, governmental agencies and political subdivisions thereof;
- (xii) **"Principal Amount"** shall have the meaning set forth in Clause 1(a) hereto; and
- (xiii) **"TSX.V"** means the TSX Venture Exchange.

5. **Debenture to rank *Pro Rata***

- (a) Rank. The Debenture will be direct unsecured obligations and rank with all other unsecured debts and claims on assets and property of the Corporation but ahead of equity holders. Subject to statutory preferred exceptions, this Debenture will participate *pro rata* (based on invested capital) with other unsecured obligations of the Corporation in any liquidation or distribution of assets, shares or other property as a result of any liquidation, or in the case of any qualifying transaction or alternative liquidity event.

6. **Optional Conversion**

- (a) Conversion Right. Subject to obtaining Disinterested Shareholder Approval and subject to obtaining the approval of the TSX.V prior to making any payment of interest in shares, the Debenture will be convertible at the option of the Holder for Common Shares equal to the principal amount of the Debenture plus any and all unpaid interest, divided by the Conversion Price ("**Conversion Amount**").
- (b) Interest Payment. Subject to obtaining Disinterested Shareholder Approval and subject to obtaining the approval of the TSX.V prior to making any payment of interest in shares, the Corporation reserves the right to repay the interest of the Debenture to the Holder, at the Maturity Date, in cash or in Common Shares.

- (c) Notice by Holder. The Holder's Optional Conversion is exercisable by the delivery of the Debenture and the Notice of Conversion by the Holder to the Corporation, duly signed and completed by the Holder.
- (d) Agreement. The delivery by the Holder to the Corporation of the Debenture and the Notice of Conversion by the Holder according to Clause 6(d) is deemed to constitute an agreement between the Holder and the Corporation under which: (i) the Holder agrees to apply the Conversion Amount towards the subscription for the number of Common Shares that he is entitled to receive by the exercise of the conversion right described hereinabove and, (ii) the Common Shares issued upon conversion of the Debenture are issued by the Corporation as fully paid and non assessable and freely tradable, subject to the applicable resale restrictions contained in any securities legislation, the whole taking effect at the time the Notice of Conversion by the Holder is received by the Corporation.
- (e) Issuance of certificates. Within Fourteen (14) Business Days following the date on which the Notice of Conversion is received by the Corporation, the Corporation shall issue and deliver or have issued and delivered to the Holder or according to the Holder's instructions, one or many share certificates or uncertificated accounts registered to the Holder's name (or the Holder's nominee) and representing the number of Common Shares the latter is entitled to. The conversion of the Debenture into Common Shares is deemed to have been completed on the date on which the Notice of Conversion is received by the Corporation.
- (f) Cancellation of Debenture. The Debenture delivered for conversion in Common Shares shall be cancelled by the Corporation and no Debenture may be issued in replacement of such Debenture.
- (g) No fraction. No fraction of Common Shares shall be issued upon the conversion of the Debenture in Common Shares. If the conversion of the Debenture by the Holder would result in the issuance of a fraction of a Common Share, this fraction shall be rounded to the closest whole number of Common Shares. The Holder shall not be entitled to any compensation should a fraction of Common Share be rounded up to the lowest round number.
- (h) Acceleration of Maturity Date. At any time after the Corporation obtains the Disinterested Shareholder Approval, the Corporation may provide 30 days written notice to the Holder that the Maturity Date will be accelerated to that date 30 days after notice is given. The Holder shall have the right to exercise its Conversion Right at any time prior to the end of the 30 day notice period.
- (i) Adjustment of Conversion Price

The Conversion Price in effect at any date shall be subject to adjustment from time to time as follows:

- (i) if and whenever at any time prior to the Maturity Date, the Corporation shall:
 - (a) subdivide, redivide or change the outstanding Common Shares into a greater number of Common Shares;
 - (b) reduce, combine or consolidate the outstanding Common Shares into a smaller number of Shares; or
 - (c) issue Shares or securities convertible into or exchangeable for Common Shares to the Holders of all or substantially all of the outstanding Common Shares by way of dividend in specie or a bonus issue or a

capitalisation of a reserve other than a cash dividend paid in the Common course ("**Stock Dividend**");

- (d) any event similar to those described in the preceding paragraphs occurs (each an "Adjustment Event"),
- (ii) the Conversion Price in effect on the effective date of an Adjustment Event shall in the case of the events referred to in Clause 6(i)(i) (a) decreased in proportion to the number of outstanding Common Shares resulting from such subdivision, redivision, change or dividend (including, in the case where securities convertible into or exchangeable for Common Shares are issued, the number of Common Shares that would have been outstanding had such securities been converted into or exchanged for Shares on such record date) or shall, in the case of the events referred to in Clause 6(i)(i)(b) above, be increased in proportion to the number of outstanding Common Shares resulting from such reduction, combination or consolidation, in each such case so that upon a subsequent conversion of this Debenture in accordance with the terms hereof the Holder shall receive the same number of Common Shares which he would have owned immediately following such event if he had converted the Debenture immediately prior to such Adjustment Event. Such adjustment shall be made successively whenever any event referred to in Clause 6(h) shall occur, any such issue of Common Shares (or securities convertible into or exchangeable for Common Shares) by way of a Stock Dividend shall be deemed to have been paid on the record date for the Stock Dividend for the purpose of calculating the number of outstanding Shares under Clause (b) and (c) of this Clause 6(h), to the extent that any such securities convertible into or exchangeable for Common Shares are not converted into or exchanged for Common Shares prior to the expiration of the conversion or exchange right, the Conversion Price shall be readjusted effective as at the date of such expiration to the Conversion Price which would then be in effect based upon the number of Shares actually issued on the exercise of such conversion or exchange right;
- (iii) if and whenever at any time prior to the Maturity Date the Corporation shall fix a record date for the issuance of rights, options or warrants to all or substantially all the holders of its outstanding Common Shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase Common Shares (or securities convertible into or exchangeable for Common Shares) at a price per share (or having a conversion or exchange price per share) less than 90% of the Current Market Price of a Share on such record date, the Conversion Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Conversion Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number of Common Shares equal to the number arrived at by dividing the aggregate price of the total number of additional Common Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the securities convertible into or exchangeable for Common Shares so offered) by such Current Market Price per Share, and of which the denominator shall be the total number of Common Shares outstanding on such record date plus, the total number of additional Common Shares offered for subscription or purchase (or into which the securities convertible into or exchangeable for Common Shares so offered are convertible or exchangeable); any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that any such rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Conversion Price shall be readjusted to the Conversion Price which would then be in effect if such record date had not been fixed or, effective as at the date of such expiration, to the Conversion Price which would

then be in effect based upon the number of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be;

- (iv) if and whenever at any time prior to the Maturity Date the Corporation shall fix a record date for the making of a distribution to all or substantially all the holders of its outstanding Common Shares of:
- shares of any class other than Common Shares (or other securities convertible into or exchangeable for Common Shares);
 - rights, options or warrants (other than rights, options or warrants referred to in Clause 6(h) and rights, options or warrants to subscribe for or purchase Common Shares, or other securities convertible into or exchangeable for Common Shares, for a period of not more than 45 days after such record date at a price per Share, or having a conversion or exchange price per Share, not less than 90% of the current market price ("**Current Market Price**") of a Share on such record date);
 - any Stock Dividend;

then, in each such case, the Conversion Price in effect on such record date shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Conversion Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price per Share on such record date, less the fair market value (as determined by the directors of the Corporation acting reasonably and in good faith, which determination shall be conclusive) of such shares or rights, options or warrants or evidences of indebtedness or assets so distributed, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Price per Share; any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that such distribution is not so made, the Conversion Price shall be readjusted to the Conversion Price which would then be in effect if such record date had not been fixed or to the Conversion Price which would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or actually distributed, as the case may be;

- (v) if and whenever at any time prior to the Maturity Date there is a capital reorganization, consolidation, merger, arrangement or amalgamation of the Corporation with or into any other body corporate, trust, partnership or other entity or a sale or conveyance whereby all or substantially all of the Corporation's undertaking and assets would become the property of any body corporate, trust, partnership or other entity, the Holder, if he has not exercised his right of conversion under Clause 6(c) prior to the effective date of such reorganization, consolidation, merger, arrangement, amalgamation, sale, upon any such conversion at any time thereafter, shall be entitled to receive and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon conversion, the aggregate number of Common Shares or other securities or property of the Corporation or of the body corporate, trust, partnership or other entity resulting from the reorganization, consolidation, merger, arrangement or amalgamation or to which such sale may be made, as the case may be, that the Holder would have been entitled to receive as a result of such reorganization, consolidation, merger, arrangement, amalgamation or sale if, on the record date or effective date thereof, as the case may be, the Holder had been the registered holder of the number of Common Shares to which he was theretofore entitled upon conversion;

- (vi) in any case in which this Clause 6(h) shall require that an adjustment shall become effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such event, issuing to the Holder, in the case of the Debenture being converted after such record date and before the occurrence of such event, the additional Common Shares issuable upon such conversion by reason of the adjustment required by such event before giving effect to such adjustment; provided, however, that the Corporation shall deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of holders of record of Common Shares on and after the date of conversion pursuant to Clause 6(e) or such later date as the Holder would, but for the provisions of this Clause 6(i), have become the holder of record of such additional Common Shares.
- (vii) the adjustments provided for in this Section 6(i) are cumulative and shall apply to successive subdivisions, redivisions, reductions, combinations, consolidations, distributions, issues or other events resulting in any adjustment under the provisions of this Section. No adjustment of the Conversion Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Conversion Price then in effect; provided however, that any adjustments which by reason of this Clause are not required to be made shall be carried forward and taken into account in any subsequent adjustment;
- (viii) in the event of any question arising with respect to the adjustments provided in this Clause 6(i), such question shall be conclusively determined by a firm of chartered accountants appointed by the Corporation (who may be the Auditors of the Corporation); such accountants shall have access to all necessary records of the Corporation and such determination shall be binding upon the Corporation, and the Holder;
- (ix) no adjustment in the Conversion Price shall be made in respect of any event described in herein if the Holder is entitled by the Corporation to and participates in such event on the same terms *mutatis mutandis* as if he had converted this Debenture prior to the effective date or record date, as the case may be, of such event; and
- (x) except as provided in this Clause 6(i), no adjustment in the Conversion Price shall be made as a result of the issuance of Common Shares at less than the then Current Market Price or Conversion Price, provided however, that in case a state of facts shall exist to which the provisions of Clause 6(i) are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder against dilution in accordance with the intent and purposes hereof, then the Corporation shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid. In the event the Holder does not agree with the adjustment as aforesaid, the Corporation may obtain and the Holder shall accept the certificate or opinion of a firm of independent chartered accountants (who may be Corporation's Auditors) with respect to any such adjustment in the application of such provision, and as to questions of law in connection therewith shall accept an opinion of Counsel and such certificate or opinions shall be conclusive and binding on all parties in interest hereto.

7. Covenants of the Corporation.

- (a) The Corporation undertakes towards the Holder to:

- (i) keep available, at any time, for issuance, free of all preemptive rights of subscription or any other rights, a sufficient number of authorized but non-issued Common Shares to comply with the terms of the conversion right related to the Debenture; and
- (ii) ensure that all Common Shares issued upon the exercise of the conversion right will be duly and validly issued as fully paid and non-assessable.

8. Acknowledgements, Warranties and Undertakings of the Holder in Subscription Agreement

- (a) The Holder acknowledges and understand that this agreement has not been approved by an any securities commission or similar securities regulatory authority
- (b) The Holder confirms and acknowledges that it has made its own assessment concerning the Debenture and the creditworthiness of the Corporation and the consequences of entering into this agreement including the merits and the risks and is aware that only persons capable of evaluating the risks and merits of the Debenture and who have sufficient resources to bear any loss which may result from the investment should enter into the Debenture.
- (c) The Holder confirms it is a person an "Accredited Investor" as such term is defined in National Instrument 45-106 and as represented in the subscription agreement delivered by the Holder to the Corporation.
- (d) The Holder shall comply with all applicable Anti-Money Laundering Laws as well as all applicable Anti-Corruption laws.
- (e) The Holder acknowledges that the Corporation may in the future be required by law to disclose the Holder's name and other information relating to this agreement and the Holder's subscription hereunder, on a confidential basis.

9. Defaults under the Debenture and enforcement

- (a) The Corporation shall be in default if any of the following events occurs (each of these events being referred to as an "Event of Default"), namely:
 - (i) the Corporation fails to reimburse the Principal Amount on the Maturity Date;
 - (ii) the Corporation fails to make the payment of any amount owed to the Holder under the terms set forth herein, including interest due on the Principal Amount and the interest on the interest, and this default continues during a thirty (30) day period after the Corporation has received a notice to this effect;
 - (iii) the Corporation, or enters into any compromise or arrangement, with its creditors (excluding Holders of the Debenture) with a view to rescheduling any of its indebtedness (because of actual or anticipated financial difficulties);
 - (iv) a moratorium is declared in respect of any indebtedness of the Corporation;
 - (v) any action, proceedings, procedure or step is taken in relation to:
 - the suspension of payments, a moratorium of any indebtedness, winding up, dissolution, administration or re-organization (using a voluntary arrangement, scheme of arrangement or otherwise) of the Corporation; or
 - a composition, compromise, assignment or arrangement with any creditor of the Corporation; or
 - the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Corporation or any of its assets.

- (vi) any event occurs in relation to the Corporation that is analogous to those set out in Clause 9(a)iii to Clause 9 (a)v (inclusive) in any jurisdiction.
 - (vii) a winding-up petition except for one that is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement or, if earlier, the date on which it is advertised shall be excluded from Clause 9 (a)(iii) to Clause 9 (a) (vi).
 - (viii) the Corporation ceases to carry on its business (unless this ceasing had been previously approved by its board of directors).
- (b) If an Event of Default occurs, the Holder may, by written notice to the Corporation, require the payment of the Principal Amount and any other amount due hereunder and require the payment, by the Corporation, of any reasonable fees incurred by the Holder to protect his debt and to obtain payment thereof. In the circumstances of an Event of Default under Clauses 9(a)(a)(iii) iii to 9 (a) (a)(vi) (inclusive), the Holder will have the right to receive repayment of the original subscription price of the Debenture prior to any distribution of property or assets to the Common Shares or other equity securities. If any proceeds remain thereafter they will be split on an “as if converted” basis with the holders of the Common Shares.
- (c) After the payment or the conversion is made, if any, the Corporation shall be released from its obligations under this Debenture. If the Corporation reimburses the Principal Amount, such payment shall be first affected to the payment of any amount due under this Debenture, as interests or otherwise, and then to the payment of the Principal Amount. The Holder may require the conversion of the Principal Amount, by transmitting a notice having the form of the Notice of Conversion and Clause 6(i) is then applicable, *mutatis mutandis*, to such conversion.
- (d) If an Event of Default occurs, the Holder may, at its option, assert its rights by any action, lawsuit, legal recourse or procedure authorized or permitted under the law and may file its evidence or any required or desirable documents to have the Holder’s request considered in any winding up or other procedures related to the Corporation.
- (e) The remedies provided herein are cumulative. The exercise of any right or remedy does not prevent the exercise of any other right or remedy and is not exclusive of any remedies provided by law. The single or partial exercise of any right, power or privilege under this Debenture shall not preclude any other or further exercise thereof.
- (f) The failure of a party to enforce any provision of this Debenture shall not constitute a waiver of such provision or the right of such Party to enforce such provision and every other provision.

10. Replacement

Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of the certificate representing the Debenture, the Corporation will issue to the Holder a replacement certificate containing the same terms and conditions as such certificate.

11. Information Rights

The Corporation will make available to the Holders within one hundred and twenty (120) days of the fiscal year end, audited financial statements of the Corporation. These information rights will terminate upon the conversion of the Debenture.

12. General provisions

- (a) Successors and Assigns. The rights under this Debenture shall enure to the benefit of and shall be binding upon the Holder and the Corporation and their respective, legal representatives, successors. This agreement will not be assignable without the prior written consent of the Corporation (such consent not to be unreasonably withheld or delayed).
- (b) Currency. Except if otherwise indicated, all the amounts mentioned herein are in Canadian dollars.
- (c) Governing Laws. This Debenture shall be governed, interpreted and construed by and in accordance with the laws of the Province of Québec and the laws of Canada as applicable therein.
- (d) No Waiver. Nothing in this Debenture shall be construed as limiting the rights granted to the Holder under the articles of incorporation of the Corporation or otherwise.
- (e) Language. The parties confirm that they have agreed that this Debenture and all documents relating hereto be drafted in English.
- (f) Debenture Holder not a Shareholder. This Debenture grants the Holder no rights as a shareholder of the Corporation, including voting or dividend rights.
- (g) Notice. Any notice hereunder shall be given in good faith, in writing, by process server, courier, registered mail or by any other electronic communication means which gives a proof of its receiving by its recipient, to the Holder and to the Corporation at the following addresses:

Cannara Biotech Inc.
333 Decarie, suite 200
Saint-Laurent, QC H4N 3M9
Attention: Zohar Krivorot and Nicholas Sosiak
zohar@cannara.ca and nick@cannara.ca

Olymbec Investments Inc.
333 Decarie, suite 200
Saint-Laurent, QC H4N 3M9
Attention: Richard Stern
rstern@olymbec.com

or to any other address that any of the parties listed above may indicate in writing to the other party. These notices may also be given by hand against receipt. Any notice shall be deemed to be received the day of its delivery, if such delivery has been made before 3:00 p.m. (recipient's local time), otherwise, the notice shall be deemed to be received the next Business Day after its delivery, except if such notice has been sent by registered mail, in such case, it shall be deemed to be received the tenth (10th) Business Day after its mailing.

IN WITNESS WHEREOF, the Corporation has caused this Debenture to be signed by its officer duly authorized in that behalf as of June 21, 2021.

Cannara Biotech Inc.

Per:

(s) Nicholas Sosiak

Authorized Signatory

SCHEDULE A
NOTICE OF CONVERSION BY THE HOLDER

To: Cannara Biotech Inc. (the "Corporation")

The undersigned, registered Holder of the Debenture «Number» hereby irrevocably elects to convert the Debenture representing \$_____ into Common Shares of the Corporation according to the terms of the Debenture and requires the Common Shares to be issued and delivered upon the conversion to the following Person.

All terms capitalized and not defined herein shall have the meaning ascribed thereto in the Debenture.

Date:

(Signature of the registered Holder)

(Please write in capital letters the name of the person to whom the Common Shares issued upon the conversion ought to be issued, delivered and registered.)

Name

Address

City, Province and Postal code

SCHEDULE B

First Agreement to Extend Convertible Debenture

Agreement to Extend Convertible Debenture Term

This Agreement (the "Agreement") is entered into on this 31st day of August, 2023 (the "Effective Date") by and between Cannara Biotech Inc. ("Cannara") and Olymbec Investments Inc. ("Olymbec"). Collectively, Cannara and Olymbec may be referred to as the "Parties."

WHEREAS, Cannara and Olymbec entered into a Convertible Debenture Agreement dated June 21, 2021, and attached hereto as Schedule "A", identified as Debenture certificate No. "001" (the "Original Agreement") for a principal amount of \$5,700,000 (the "Debenture") with an initial maturity date of June 21, 2024, (the "Initial Maturity Date") bearing an interest rate of 4% per annum;

WHEREAS, Cannara and Olymbec desire to extend the term of the Convertible Debenture as set forth herein;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Cannara and Olymbec agree as follows:

1. **Extension of Debenture Term:** Cannara and Olymbec hereby agree to extend the term of the Debenture, originally identified as Debenture certificate No. "001," from the Initial Maturity Date to the new maturity date of January 31, 2025.
2. **Interest Rate:** During the extended term, the interest rate on the Debenture shall be increased from 4% per annum to 9.25% per annum. The interest shall accrue from the Effective Date of this Agreement and be payable in accordance with the terms and conditions set forth in the Original Agreement.
3. **Right to Demand Partial Repayment:** On the Initial Maturity Date, Olymbec has the right to demand a partial repayment of an amount which shall not exceed \$1,000,000 when combined with any other repayments already made by Cannara towards the principal amount of the Debenture on such date.
4. **Continuation of Other Terms:** Except as expressly modified herein, all other terms and conditions of the Original Agreement shall remain in full force and effect. This includes, but is not limited to, the conversion terms, the events of default, and the rights and obligations of the Parties under the Debenture.
5. **Warranties and Representations:** Cannara represents and warrants that, as of the Effective Date, there are no known events or conditions that would constitute an event of default under the Debenture.
6. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the province of Quebec without regard to its conflict of laws principles.

7. **Entire Agreement:** This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties.
8. **Amendment:** No amendment or modification of this Agreement shall be valid unless it is in writing and signed by both Parties.
9. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.
10. **Schedule A:** The Original Agreement, identified as Debenture certificate No. "001," shall be annexed to this Agreement as Schedule A for reference.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

OLYMBEC INVESTMENTS INC.

By: *(s) Richard Stern*

Name: Richard Stern

Title: President

CANNARA BIOTECH INC.

By: *(s) Nicholas Sosiak*

Name: Nicholas Sosiak

Title: Chief Financial Officer

SCHEDULE C

Second Agreement to Extend Convertible Debenture

Second Agreement to Extend Convertible Debenture Term

This Agreement (the "**Agreement**") is entered into on this 30th day of January, 2024 (the "**Effective Date**") by and between Cannara Biotech Inc. ("**Cannara**") and Olymbec Investments Inc. ("**Olymbec**"). Collectively, Cannara and Olymbec may be referred to as the "Parties".

WHEREAS, Cannara and Olymbec entered into a Convertible Debenture Agreement dated June 21, 2021, and attached hereto as Schedule "A", identified as Debenture certificate No. "001" (the "**Original Agreement**") for a principal amount of \$5,700,000 (the "**Debenture**") with an initial maturity date of June 21, 2024, (the "**Initial Maturity Date**") bearing an interest rate of 4% per annum;

WHEREAS, Cannara and Olymbec entered into the first Agreement to Extend the Convertible Debenture Term dated August 31, 2023, and attached hereto as Schedule "B", (the "**First Extension Agreement**") which extended the term from the Initial Maturity Date until January 31, 2025 (the "**First Extended Maturity Date**").

WHEREAS, pursuant to the First Extension Agreement, Olymbec was granted the right to demand a partial repayment of an amount not to exceed \$1,000,000 (the "**Partial Repayment**") on the Initial Maturity Date.

WHEREAS, Cannara and Olymbec desire to further extend the term of the Convertible Debenture and to delay the date of the Partial Repayment as set forth herein;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Cannara and Olymbec agree as follows:

1. **Extension of Debenture Term:** Cannara and Olymbec hereby agree to extend the term of the Debenture, originally identified as Debenture certificate No. "001," from the Extended Maturity Date to the new maturity date of September 30, 2025.
2. **Interest Rate:** During the extended term, the interest rate on the Debenture (the "**Interest Rate**") shall be 9.25% per annum until the First Extended Maturity Date, at which point the Interest Rate shall rise to 10.75% per annum for the remainder of the extended term. The interest shall be payable in accordance with the terms and conditions set forth in the Original Agreement.
3. **Right to Demand Partial Repayment:** On the first Extended Maturity Date, Olymbec has the right to demand a partial repayment of an amount which shall not exceed \$1,000,000 when combined with any other repayments already made by Cannara towards the principal amount of the Debenture on such date. For greater certainty, Olymbec will no longer have the right to demand a partial repayment on the First Extended Maturity Date as set out in the First Extension Agreement.

4. **Continuation of Other Terms:** Except as expressly modified herein, all other terms and conditions of the Original Agreement shall remain in full force and effect. This includes, but is not limited to, the conversion terms, the events of default, and the rights and obligations of the Parties under the Debenture.
5. **Warranties and Representations:** Cannara represents and warrants that, as of the Effective Date, there are no known events or conditions that would constitute an event of default under the Debenture.
6. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the province of Quebec without regard to its conflict of laws principles.
7. **Entire Agreement:** This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties.
8. **Amendment:** No amendment or modification of this Agreement shall be valid unless it is in writing and signed by both Parties.
9. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.
10. **Schedules:** The Original Agreement, identified as Debenture certificate No. "001," shall be annexed to this Agreement as Schedule A for reference, and the First Extension Agreement shall be annexed to this Agreement as Schedule B for reference.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

OLYMBEC INVESTMENTS INC.

By: *(s) Richard Stern*

Name: Richard Stern

Title: President

CANNARA BIOTECH INC.

By: *(s) Nicholas Sosiak*

Name: Nicholas Sosiak

Title: Chief Financial Officer