THIS COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement (this "Agreement") is entered into on this first day of March, 2016 ("Effective Date") by and between Michael J. Emers and Joan E. Hornig, as individuals (collectively referred to as the "Lessor"), and RCFC, LLC, an Alaska limited liability company, doing business as Rosie Creek Farms, ("Lessee"). Lessor and Lessee sometimes collectively referred to herein as the "Parties" and individually as the "Party".

AGREEMENT:

1. TERM. The term hereof shall commence on the 1st Day of March,2016 ("Commencement Date") and shall expire on 28th Day of February, 2019 ("Term").

2. PROPERTY; PREMISES. Lessor is the owner of certain real property, comprising of 2.5 acres within the 35.5 acre parcel owned by Lessor located at **2659 Livingston Loop**, (physical description TRACT A Rosie Creek Farm, 2S 3W 14 1401), which comprises Lessor's authorized cultivation facility, product manufacturing facility and all improvements, fixtures and equipment located therein and thereon (collectively the "Premises"). The Premises are the western portion of the entire cleared farm fields, and the northern section of the farm fields and processing area which include high tunnels 1, 2, 3, and 4, the propagation greenhouse, storage buildings, the product manufacturing facility, security shack, outdoor cultivation area and the farm office. In all RCFC will rent 2.5 acres of the 7 acres of the enclosed farm fields and grounds.

3. RENT. The total monthly rent shall be one and 00/ 100 Dollars ($1.00) rent payable on the first (1st) day of each and every successive month thereafter (the "Payment Date"). In addition to the monthly rent a penalty of twenty percent (20.0%) of the monthly rent will be collected for each month rent not received by the fifth following the Payment Date. Also a $30.00 dollar fee will be assessed for any check returned for insufficient funds. All rents shall be paid to Lessor at the following address: P.O. Box 181, Ester, Alaska 99725 or at such other places as may be designated by Lessor from time to time.

4. SECURITY DEPOSIT. A Refundable Security Deposit of one and 00/100 Dollars ($1.00) is required.

5. USE AND USES PROHIBITED. The Premises is to be used for the operation, administration and management of Lessee's one (1) State of Alaska licensed and duly authorized cultivation facility, product manufacturing facility and all uses related thereto pursuant the Laws of the State of Alaska, local zoning and regulatory ordinances, and rules promulgated by the Alaska Marijuana Control Board. Lessee shall not use any portion of the Premises for purposes other than that specified herein (the "Permitted Use"). The Parties hereby waive any right to claim that the Permitted Use is illegal or otherwise invoke illegality as a defense to the validity ofthis Lease.

6. ASSIGNMENT AND SUBLETTING. Lessee shall not assign this lease or sublet any portion of the Premises, except to an affiliate, subsidiary, parent or successor of the Lessee without prior written consent of the Lessor, which shall not be unreasonably withheld. Any such

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assignment or subletting without consent shall be void and, at the option of the Lessor, may

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terminate this Lease.

7. ORDINANCES AND STATUTES. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force or which may hereafter be in force, pertaining to the Premises, occasioned by or affecting the use thereof by Lessee. The commencement or pendency of any state or federal court abatement proceeding affecting the use of the Premises shall, at the option of the Lessor, be deemed a breach hereof. The foregoing notwithstanding, Lessee shall be permitted to use the Premises at all times in a manner that is consistent with the Permitted Use and Lessor shall not object to such use nor shall such use be deemed a breach of this lease regardless of any state or federal law or court ruling impacting the legality of the Permitted Use.

8. MAINTENANCE, REPAIRS, AND ALTERATIONS . Lessee acknowledges that the Premises are in good order and repair, unless otherwise indicated herein. Lessee shall at his own expense and at all times, maintain the Premises in good and safe condition, including plate glass, electrical wiring, plumbing and heating installations and any other system or equipment upon the Premises and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Lessee shall be responsible for all repairs required, excepting the roof, exterior walls and structural foundations. No improvement or alterations of the Premises shall be made without the prior written consent of the Lessor. Prior to the commencement of any substantial repair, improvement, or alteration, Lessee shall give Lessor at least two (2) days written notice in order that Lessor may post appropriate notices to avoid any liability for liens. Lessor shall provide routine maintenance of exterior walls, roof, and structural foundations as necessary.

9. ENTRY AND INSPECTION. Lessee shall permit Lessor or Lessor's agents to enter upon the Premises at reasonable times and upon reasonable notice, for the purpose of inspection the same, and will permit Lessor at any time within sixty (60) days prior to the expiration at this Lease, to place upon the Premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the Premises thereafter.

10. INDEMNIFICATION OF LESSOR. Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Premises from any cause whatsoever, other than gross negligence or willful misconduct on the part of Lessor. Lessee shall indemnify, defend and save Lessor, its officers, agents, employees and contractors, and other Lessees and occupants of the building harmless from all losses, damages, fines, penalties, liabilities and expenses (including Lessor's personnel and overhead costs and attorneys' fees and other costs incurred in connection with such claims, regardless of whether claims involve litigation or bankruptcy) resulting from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property alleged to be attributable to Lessee's operation or occupation of the Premises or caused by or resulting from any act or omission of Lessee or any licensee, assignee, or concessionaire, or of any officer, agent, employee, guest or invitee of any such person in or about the Premises or Lessee's breach of Applicable Law or its obligations under this Lease. Lessee agrees that the foregoing indemnity specifically covers actions brought by its own employees. The indemnification provided for in this Section with respect to acts or omissions during the term

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of this Lease shall survive termination or expiration of this Lease. Lessor shall not be liable for interference with light, air or view or for any latent defect in the Premises. Lessee shall promptly notify Lessor of casualties or accidents occurring in or about the Premises. Notwithstanding the foregoing if losses, liabilities, damages, liens, costs and expenses so arising are caused by the concurrent negligence of both Lessor and Lessee, their employees, agents, invitees and licensees, Lessee shall indemnify Lessor only to the extent of Lessee's own negligence or that of its officers, agents, employees, guests or invitees. LESSOR AND LESSEE ACKNOWLEDGE THAT THE INDEMNIFICATION PROVISIONS OF THIS SECTION 10 WERE SPECIFICALLY NEGOTIATED AND AGREED UPON BY THEM.

11. POSSESSION. If Lessor is unable to deliver possession of the Premises at the commencement hereof, Lessor shall not be liable for any damage caused said delay of delivery, nor shall this Lease be void or voidable, but Lessee shall not be liable for any rent until possession is delivered. Lessee may terminate this Lease if possession is not delivered within twenty (20) days of the commencement of the term hereof.

12. INSURANCE. General Liability Insurance. Lessee shall, during the Lease Term, keep in full force and effect, a policy or policies of Commercial General Liability insurance for bodily injury, personal injury (including wrongful death) and damage to property resulting from (i) any occurrence in the Leased Premises, (ii) any act or omission by Lessee, by any sub Lessee of Lessee, or by any of their respective invitees, agents, servants, contractors or employees anywhere in the Leased Premises or the Building, (iii) the business operated by Lessee or by any sub Lessee of Lessee in the Leased Premises. The liability policy or policies shall contain an endorsement naming Lessor, the management company and any others required by Lessor as an additional insured. The General Aggregate Limit must apply separately to each location. Limits may be satisfied using any combination of underlying and excess/umbrella liability policies. This agreement and the insurance policy expressly waives any pro rata distribution requirement contained in Lessees blanket policy.

13. UTILITIES. Lessee agrees to be responsible for the payment of all utilities, including water, gas, electricity, heat and other services delivered to the Premises.

14. SIGNS. Lessor reserves the exclusive right to the roof, side and rear walls of the Premises, Lessee and Lessor shall not construct any projecting signs or awnings without the prior written consent of the other, which consent shall not be unreasonably withheld.

15. ABANDONMENT OF PREMISES. Lessee shall not vacate or abandon the Premises at any time during the term hereof, and if Lessee shall abandon or vacate the Premises or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee left upon the Premises shall be deemed to be abandoned, at the option of Lessor.

16. CONDEMNATION. If any part of the Premises shall be taken or condemned for public use, and a part thereof remains which is susceptible of occupation hereunder, this Lease shall, as to the part taken, terminates of the date the condemner acquires possession, and thereafter Lessee shall be required to pay such proportion of the rent for the remaining term as the value of the Premises remaining bears to the total value of the Premises at the date of condemnation;

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provided however, that Lessor may at his option, terminate this Lease as of the date the condemner acquires possession. In the event that remainder is not susceptible for use hereunder, this Lease shall terminate upon the date which the condemner acquires possession. All sums which may be payable on account of any condemnation shall belong to the Lessor, and Lessee shall not be entitled to any part thereof, provided however, that Lessee shall be entitled to retain any amount awarded to him for his trade fixtures or moving expenses.

17. TRADE FIXTURES. Any and all improvements made to the Premises during the term hereof shall belong to the Lessor, except trade fixtures of the Lessee, Lessee may, upon termination hereof, remove all his trade fixtures, but shall repair or pay for all repairs necessary for damages to the Premises occasioned by removal. Any repairs made by Lessee must be made with quality materials and in a workmanship quality that either improves or renders the Premises in the same condition as of the date of delivery of Premises as defined in this Agreement.

18. DESTRUCTION OF PREMISES. In the event of a partial destruction of the Premises during the term hereof, from any cause, Lessor shall forthwith repair the same, provided that such repairs can be made within one-hundred twenty (120) days under existing governmental laws and regulations, but such partial destruction shall not terminate this Lease, except that Lessee shall be entitled to a proportional reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business of Lessee on the Premises. If such repairs cannot be made within said one-hundred twenty (120) days, Lessor, at his option, may make the same within a reasonable time, this Lease continuing in effect with the rent proportionately abated as aforesaid, and in the event that Lessor shall not elect to make such repairs which cannot be made within one-hundred twenty (120) days, this Lease may be terminated at the option of either party. In the event that the building in which the demised Premises may be situated is destroyed to an extent of not less than one-third of the replacement costs thereof, Lessor may elect to terminate this Lease whether the demised Premises be injured or not. A total destruction of the building, in which the Premises may be situated, shall terminate this Lease. In the event of any dispute between Lessor and Lessee with respect to the provisions hereof, the matter shall be settled by arbitration in such a manner as the Parties may agree upon, or if they cannot agree, in accordance with the rules of the American Arbitration Association.

19. INSOLVENCY. In the event a receiver is appointed to take over the business of Lessee, or in the event Lessee makes a general assignment for the benefit of creditors, or Lessee takes or suffers any action under any insolvency or bankruptcy act, the same shall constitute breach of this lease by Lessee.

20. REMEDIES OF OWNER ON DEFAULT. In the event of any breach of this Lease by Lessee, Lessor may, at his option, terminate the Lease and recover from Lessee: (a) the worth at the time of award of the unpaid rent which was earned at the time of termination; (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (c) the worth at the time of award of the amount by which the unpaid rent for

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the balance of the term after the time of award exceeds the amount of such rental loss that Lessee proves could be reasonably avoided; and (d) any other amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform his obligations under the Lease or which in the ordinary course of things would be likely to result therefore. Lessor may, in the alternative, continue this Lease in effect, as long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all his rights _and remedies under the Lease, including the right to recover the rent as it becomes due under the Lease. If said breach of lease continues, Lessor may, at any time thereafter, elect to terminate the Lease. Nothing contained herein shall be deemed to limit any other rights or remedies that Lessor may have. Lessor shall not take into its possession any marijuana product and shall contact the State of Alaska AMCO prior to any access to the licensed premises if Tenant cannot be reached, abandons the property, or similar event.

21. SECURITY DEPOSIT. The security deposit set forth above, if any shall secure the performance of the Lessee's obligations hereunder. Lessor may, but shall not be obligated to apply all or portions of said deposit on account of Lessee's obligations hereunder. Any balance remaining upon termination shall be returned to Lessee. Lessee shall not have the right to apply the Security Deposit in payment of the last month's rent.

22. DEPOSIT REFUNDS. The balance of all deposits shall be refunded within two (2) weeks from date possession is delivered to Lessor his authorized Agent, together with a statement showing any charges made against such deposits by Lessor.

23. ATTORNEY 'S FEES. In case a suit should be brought for recovery of the Premises or for any sum due hereunder, or because of any act which may arise out of the possession of the Premises, by either Party, the prevailing Party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

24. WAIVER. No failure of Lessor to enforce any te1m hereof shall be deemed to be a waiver.

25. NOTICES. Any notice which either Party may or is required to give, shall be given by mailing the same, postage prepaid, to Lessee at the Premises, or Lessor at the address shown below, or at such other places as may be designated by the Parties from time to time.

26. HOLDING OVER. Any holding over after the expiration of this Lease, with the consent of Lessor, shall be construed as a month-to-month tenancy at a rental of $_____per month, otherwise in accordance with the terms hereof, as applicable.

27. TIME. Time is of the essence of this Lease.

28. HEIRS, ASSIGNS, and SUCCESSORS. This Lease is binding upon and inures to the benefit of the heirs, assigns, and successors in interest to the Parties.

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29. TAXES AND ASSESSMENTS. Lessor shall pay all property taxes as they become due.

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30. LESSOR'S LIABILITY. The term "Lessor," as used in this paragraph, shall mean only the owner of the real property or a Lessee's interest in a ground lease of the Premises. In the event of any transfer of such title or interest, the Lessor named herein (or the grantor in case of any subsequent transfers) shall be relieved of all liability related to Lessor's obligations to be performed after such transfer. Provided, however, that any funds in the hands of Lessor or Grantor at the time of such transfer shall be delivered to Grantee. Lessor's aforesaid obligations shall be binding upon Lessor's successors and assigns only during their respective periods of ownership.

31. ESTOPPEL CERTIFICATE. Lessee shall at any time upon not less than ten (10) days' prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing (1) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any, and (2) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrance to the Premises. (b) Lessee's failure to deliver such statement within such time shall be conclusive upon Lessee (l) that this Lease is in full force and effect, without modification except as may be represented by Lessor, (2) that there are no uncured defaults in Lessor's performance, and (3) that not more than one month's rent has been paid in advance or such failure may be considered by Lessor as a default by Lessee under this Lease.

32. LEASED SPACE. Lessor and Lessee agree that the Lessee shall occupy, as described in this Agreement, part of the parcel situated at 2659 Livingston Loop.

33. ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the Parties and may be modified only in writing signed by both Parties.

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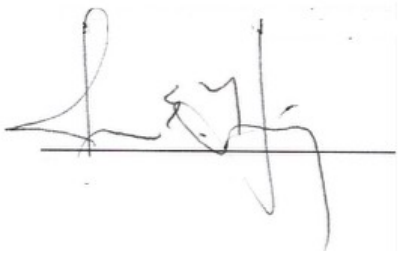
Lessee Signature Page.

The undersigned Lessee hereby accepts the terms of the agreement and acknowledges receipt of a copy hereof.

Lessee:

RCFC, LLC
a Alaska limited liability company



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