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): October 5, 2023

Lowell Farms Inc.

(Exact name of registrant as specified in its charter)

British Columbia, Canada	**000-56254**	**87-3037317**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

19 Quail Run Circle - Suite B
Salinas, California 93907
(Address of Principal Executive Offices) (Zip Code)

(831) 998-8214
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant 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))

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

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

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. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On October 6, 2023, Lowell Farms Inc (the "Company") announced that it had repurchased all of the $22,157,417 aggregate principal amount of outstanding Senior Secured Convertible Debentures (the "Debentures") of its subsidiary, Indus Holding Company, together with the related warrants to purchase 106,274,830 subordinate voting shares of the Company and 43,248,450 common shares of Indus.

Each holder of Debentures received as the purchase price therefor, such holder's pro rata share, based on the proportion of the outstanding Debentures held by such holder, of (x) membership interests (the "Membership Interests") in LF Brandco LLC ("Brandco"), an entity formed to hold the Company's intellectual property relating to its "Lowell Smokes" and "Lowell Herb Co." brands (including trademarks, logos and additional identifying marks, domain names and social media accounts), and (y) 6,849,572 Subordinate Voting Shares, representing approximately 36% of the Company's consolidated, undiluted equity interests.

Indus LF LLC, a wholly-owned subsidiary of the Company, has entered into an assignment and assumption of contracts and an intellectual property assignment, copies of which are attached hereto as Exhibits 10.2 and 10.3 respectively, with Brandco to effectuate the transfer of the intellectual property and contracts related to the Company's "Lowell Smokes" and "Lowell Herb Co."

The Company has entered into a license agreement, a copy of which is attached hereto as Exhibit 10.4, with Brandco for the "Lowell" trademarks, logos, and related intellectual property on an exclusive basis in the State of California for a five-year license term, with up to three five-year extensions. The Company's exercise of the extension terms is subject to mutual agreement on certain sales performance criteria for each extension term.

As of the closing of the Offer, the Debentures and related warrants that were repurchased have been terminated.

As of the closing of the Offer, the voting agreement of the Company, pursuant to which the former holders of the Debentures were entitled to nominate three out of seven members of the Company's board of directors and consent to the nomination of a fourth, and certain contractual operating covenants in favor of the former Debenture holders, has been terminated.

The Membership Interests and Subordinate Voting Shares were offered and issued in the United States in a private placement (the "Private Placement") pursuant to the Offer to Purchase, dated September 17, 2023, a copy of which is attached hereto as Exhibit 10.1, in reliance upon Sections 4(a)(2) and/or 4(a)(5) of the Securities Act of 1933, as amended (the "Securities Act") and/or Rule 506(b) of Regulation D promulgated under the Securities Act, as a transaction not requiring registration under Section 5 of the Securities Act. Each investor represented that it is an accredited investor and that it is acquiring the securities for investment purposes only and not with a view to any resale, distribution or other disposition of such securities in violation of the United States federal securities laws. Securities issued in the Private Placement are "restricted securities" under the Securities Act and may not be transferred, sold or otherwise disposed of unless they are subsequently registered or an exemption is available under the Securities Act.

The Offer was considered to be a "related party transaction" pursuant to Multilateral Instrument 61-101 -*Protection of Minority Shareholders in Special Transactions* ("MI 61-101") of the Canadian Securities Administrators because insiders of the Company hold Debentures and Warrants. The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offer in reliance on Sections 5.5(b) and 5.7(1)(e) of MI 61-101.

Item 1.02. Termination of a Material Definitive Agreement.

The information set forth in Item 1.01 is hereby incorporated by reference into this Item 1.02.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 is hereby incorporated by reference into this Item 2.03.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 is hereby incorporated by reference into this Item 3.02.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Offer to Purchase, dated September 17, 2023.
10.2	Form of Assignment and Assumption of Contracts.
10.3	Form of Intellectual Property Assignment.
10.4	Form of License Agreement.
99.1	Press Release dated October 6, 2023.
104	Cover Page Interactive Date File (embedded within the Inline XBRL document)

SIGNATURES

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

Lowell Farms Inc.

Date: October 12, 2023

By: /s/ Mark Ainsworth
Name: Mark Ainsworth
Title: Chief Executive Officer

EXHIBIT 10.1

THIS CONFIDENTIAL OFFER TO PURCHASE HAS BEEN PREPARED FOR DISTRIBUTION TO A LIMITED NUMBER OF PERSONS (EACH A "HOLDER") WHO ARE ACCREDITED INVESTORS AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT OF 1933 (THE "1933 ACT") TO ASSIST THEM IN EVALUATING A PROPOSED INVESTMENT IN THE SECURITIES DESCRIBED HEREIN. THIS DOCUMENT CONSTITUTES AN OFFER ONLY TO THE PERSON TO WHOM IT IS DELIVERED BY THE COMPANY (AS DEFINED BELOW). TENDERED SECURITIES WILL BE ACCEPTED ONLY FROM PERSONS DEEMED ELIGIBLE UNDER THE CRITERIA SET FORTH IN THIS DOCUMENT.

THE SECURITIES BEING OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT OR APPLICABLE STATE BLUE SKY OR SECURITIES LAWS AND ARE OFFERED UNDER AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF SUCH LAWS. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, ASSIGNED, OR OTHERWISE DISPOSED OF EXCEPT IN COMPLIANCE WITH SUCH LAWS. INCLUDING THE REGISTRATION REQUIREMENTS THEREOF OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS.

THIS OFFER TO PURCHASE HAS NOT BEEN REVIEWED BY, AND THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY, ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, INCLUDING SECURITIES COMMISSIONS AND SIMILAR REGULATORY AUTHORITIES IN CANADA. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND AN OFFENCE UNDER APPLICABLE CANADIAN SECURITIES LAWS.

HOLDERS ARE ADVISED TO CONSULT WITH THEIR INDEPENDENT TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THIS OFFER TO PURCHASE. THE COMPANY IS PROVIDING NO REPRESENTATION, WARRANTY OR ASSURANCE REGARDING THE ULTIMATE TAX TREATMENT OF THIS OFFER TO PURCHASE.

THE SECURITIES BEING OFFERED HEREUNDER INVOLVE A VERY HIGH DEGREE OF RISK AND SHOULD BE ACQUIRED ONLY BY PERSONS WHO CAN AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT.

OFFER TO PURCHASE CONVERTIBLE DEBENTURES AND WARRANTS OF INDUS HOLDING COMPANY AND WARRANTS OF LOWELL FARMS INC.

September 17, 2023

The Offer and withdrawal rights will expire at 11:59 pm Eastern Time, on October 13, 2023, unless the Offer (as defined below) is extended.

Lowell Farms Inc., a British Columbia corporation (the "Company"), is offering to purchase up to 100% of the $22,157,416.95 in outstanding Senior Secured Convertible Debentures (the "Debentures") of Indus Holding Company, a Delaware corporation ("Indus") and a majority owned subsidiary of the Company, together with associated warrants for the purchase of (a) 10,727,483 Subordinate Voting Shares (the "Subordinate Voting Shares") of the Company (the "Company Warrants"), and (b) if applicable, 4,324,845 Class D Common Shares (the "Class D Common Shares") of Indus (the "Indus Warrants"). Each Holder who properly tenders such Holder's Debentures together with the associated Company Warrants and, if applicable, Indus Warrants (collectively, the "Tendered Securities") to the Company and executes all required documentation, including the exchange agreement attached hereto as Exhibit A (the "Exchange Agreement"), the consent agreement attached hereto as Exhibit B (the "Consent Agreement"), the standstill agreement attached hereto as Exhibit C (the "Standstill Agreement" which, along with the Exchange Agreement and the Consent Agreement will only become effective upon the Company conducting a Closing (as defined below)) and the operating agreement of Brandco (as defined below) attached hereto as Exhibit D (the "Brandco Operating Agreement" and, together with the Exchange Agreement, the Consent Agreement, the Standstill Agreement and this Offer to Purchase, the "Offer"), will, upon the terms and subject to the conditions of the Offer, receive as consideration for the Tendered Securities such Holder's Pro Rata Share of (i) 6,849,572 newly issued Subordinate Voting Shares (the "Company Share Consideration") and (ii) 100% of the membership interests in a newly formed a Delaware limited liability company, currently contemplated to be named LF Brandco, LLC ("Brandco") (such membership interests the "Brandco Equity Consideration" and, together with the Company Share Consideration, the "Aggregate Consideration"). As used herein, a Holder's "Pro Rata Share" means the percentage of the total principal amount of all outstanding Debentures represented by the principal amount of the Debentures tendered by such Holder. It is a condition to the acceptance of the Offer by a Holder that such Holder tender or cause to be tendered all, and not less than all, Debentures, Company Warrants and Indus Warrants (collectively, "Securities") held by such Holder and such Holder's affiliates.

Brandco was organized for the purpose of implementing the Offer and is wholly owned by the Company as of the date of this Offer. At the Initial Closing (as defined below) of the Offer, the trademarks, logos and additional identifying marks related to the Company's "Lowell Herb Co." and "Lowell Smokes" brands, as well as the use of the designation "35s" in connection with such trademarks and tradenames, will be assigned to Brandco. Brandco will license such intellectual property to the Company on an exclusive basis in the State of California for a 5-year license term with up to three 5-year extensions (the "California License Agreement"). In addition, the domain names related to such brands and the Company's existing license agreements covering such brands outside the State of California will be assigned to Brandco. The Company and Brandco have agreed to use commercially reasonable efforts to transfer the Company's social media accounts relating to such brands to Brandco, subject to compliance with user agreements and applicable law.

The Offer is conditioned upon a minimum of 50.1% of the Debentures, 50.1% of the Company Warrants and 50.1% of the Indus Warrants being tendered for exchange.

If you wish to accept the Offer, we must receive your completed documents no later than 11:59 p.m. Eastern time on October 13, 2023. The Company may in its sole discretion elect, at any time on or after October 2, 2023, upon 50.1% of the Debentures, 50.1% of the Company Warrants and 50.1% of the Indus Warrants being tendered for purchase, to conduct an interim closing of the Offer. In the event that the Company determines to conduct an interim closing of the Offer, it will provide tendering Holders with two (2) business days' notice that they will no longer have withdrawal rights upon the completion of such closing. The Company will conduct a final closing of the Offer for any Debentures, Company Warrants, or Indus Warrants not previously purchased promptly after the Expiration Date. The first closing of the Offer is sometimes referred to herein as the "Initial Closing" and each closing of the Offer is referred to herein as a "Closing".

The Offer has not been approved or disapproved by the Securities and Exchange Commission (the 'SEC") or any state securities commission, nor has the SEC or any state securities commission passed upon the fairness or merits of this Offer or upon the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offense. In addition, no securities commission or similar securities regulatory authority in Canada has reviewed or in any way passed upon the merits of this Offer and any representation to the contrary is an offense under applicable Canadian securities laws.

If you wish to tender your Debentures and the associated Company Warrants and/or Indus Warrants pursuant to the Offer, please send your completed, dated and signed Exchange Agreement (Exhibit A), Consent Agreement (Exhibit B), Standstill Agreement (Exhibit C), and the Brandco Operating Agreement (Exhibit D) to the Company, by scanning and emailing it to Nicole Sanchez at nicole@lowellfarms.com as soon as possible. Holders are encouraged to carefully review the Offer and all documents referred to herein with their independent legal and tax advisors when making a decision to participate in the Offer.

Terms of the Offer

1. **Offer Period.** The Offer will remain open for 18 business days, from September 17, 2023, through 11:59 p.m. Eastern Time on October 13, 2023 (the Expiration Date"), unless the Offer is extended.

2. **Aggregate Number of Shares to be Purchased.** The Company is offering to purchase all $22,157,416.95 in principal amount of the outstanding Debentures, all 10,727,483 outstanding Company Warrants, and all 4,324,845 outstanding Indus Warrants.

3. **Exchange Consideration.** Each Holder who accepts the Offer will receive as the purchase price for such Holder's Tendered Securities such Holder's Pro Rata Share of the Aggregate Consideration, to be issued promptly after the applicable Closing. For additional information on the details of the exchange consideration, please see the section entitled "*Background of the Offer – Terms of the Offer – Holder Consideration*" in the Exchange Agreement.

4. **Non-tendering Holders**. If a Holder does not elect to tender their Securities for exchange, the Holder will remain a Holder of such Securities. Non-tendering Holders will be subject to the amendments to the Securities effected by the Consent Agreement, as further described herein.

5. **Exempt Offering.** The Company Share Consideration and Brandco Equity Consideration will be issued pursuant to a private placement of securities under Sections 4(a)(2) and/or 4(a)(5) of the Securities Act of 1933, as amended (the "1933 Act") and/or Rule 506(b) of the 1933 Act and on a basis which is exempt from the prospectus requirements of Canadian securities laws. As such, the Company Share Consideration and Brandco Equity Consideration will be restricted securities. These securities cannot be sold, transferred, assigned, or otherwise disposed of except in compliance with the restrictions on transfer contained in the Exchange Agreement and applicable federal and state securities laws and pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of Canadian securities laws.

6. **Conditions of the Offer.** The Offer is conditioned upon a minimum of 50.1% of the Debentures, 50.1% of the Company Warrants and 50.1% of the Indus Warrants being tendered for exchange, execution of the California License Agreement and the release all liens on and security interests in any assets of the Company, Indus or any of their subsidiaries in favor of the Collateral Agent or any Debentureholder.

7. **Reasons for the Offer.** In Q4 2022, the Company began discretely canvassing several strategic parties to assess their interest in potentially acquiring all or a portion of the Company. George Allen, then the Company's non-executive Chairman, and principal of Geronimo Capital, LLC (" Geronimo Capital"), the collateral agent for the Debentures (the "Collateral Agent"), was responsible for soliciting such strategic interest on behalf of the Company. (See Section 8 *–Related Party Transaction*.) This followed a decision by the Board of Directors of the Company (the "Board") that the Company not pay its third quarter interest expense on the Debentures (which had been due on September 30, 2022), as part of an effort to preserve cash in order to maintain sufficient liquidity to continue operations. The Debentures will mature on October 13, 2023, at which time an aggregate of $22,157,416.95 in principal, together with accrued and unpaid interest will be due and payable on the Debentures.

   Mr. Allen provided an update on such discussions at a meeting of the Board on November 7, 2022. At such meeting, the Board also received a presentation from the Company's Canadian legal counsel regarding the duties and responsibilities of the Board in the context of a potential transaction, including how to manage potential conflicts, including that certain directors were also Debentureholders (as defined below). The Board then established a special committee of independent directors who were not creditors of the Company (the "Special Committee")with a mandate to: (a) consider strategic and financial alternatives available to the Company (the 'Strategic Alternatives"); (b) consult with management on the use and application of the Company's cash resources; and (c) negotiate with the Company stakeholders regarding potential amendments of outstanding debt and equity in the context of pursuing any of the Strategic Alternatives. Although Mr. Allen offered to resign from the Board as a result of the potential conflict, given the role he played in various discussions regarding Strategic Alternatives, the Board ultimately concluded that it was in the best interests of the Company for Mr. Allen to remain a member of the Board. Since he was not a member of the Special Committee, he was not involved in the decisions of the Special Committee but was able to support the Company as a member of the Board. The Special Committee subsequently interviewed a number of financial advisors with expertise in the cannabis industry to assist the committee in executing its mandate.

In the Company's current report on Form 8-K, filed with the SEC on January 13, 2023, the Company disclosed that it had formed the Special Committee to evaluate Strategic Alternatives and thar the Special Committee had engaged Canaccord Genuity Corp. ("Canaccord") as its financial advisor.

On January 22, 2023, the Special Committee received a preliminary proposal from Mr. Allen, on behalf of Geronimo Capital, as the Collateral Agent, to settle the Debenture obligations by way of an asset transfer and share issuance. The Special Committee negotiated the terms of such settlement, which ultimately resulted in the execution of a letter of intent (the "Letter of Intent") on March 14, 2023.

Effective March 14, 2023, Mr. Allen resigned from the Board, and, over the ensuing months, the Special Committee and Mr. Allen engaged in extensive negotiations with respect to the transaction contemplated in the Letter of Intent. An agreement regarding revised principal terms for the settlement of the Debentures, which terms are reflected in the Offer, was reached on or about August 1, 2023 and were approved by the Board. After receiving advice from Canaccord, the Special Committee determined that the Offer was in the best interests of the Company and the best Strategic Alternative for the Company, and there were no viable alternatives available on commercially reasonable terms that would be more likely to improve the financial situation of the Company as compared to the Offer, which is expected to eliminate all amounts owing pursuant to the Debentures that are tendered in the Offer and to further enhance the Company's financial position by improving the terms of those Debentures that remain outstanding as a result of not being tendered in the Offer. For additional information see the section entitled "*Section II - Background of the Offer – Reasons for the Offer – Background*" in the Exchange Agreement.

8. **Related Party Transaction.** Geronimo Capital is controlled by Mr. Allen, the former non-executive Chairman of the Board who held that position at the time negotiations related to the Offer were commenced and beneficially owns in excess of 10% of the Subordinate Voting Shares, as determined in accordance with Rule 13d-3(d)(1)(i) of the Exchange Act. Mr. Allen resigned from the Board effective March 14, 2023, following execution of the Letter of Intent but prior to the negotiations that led to the agreement on revised terms reflected in the Offer. Brian Shure, the former Chief Financial Officer, and a current director of the Company, also beneficially owns in excess of 10% of the Subordinate Voting Shares, as determined in accordance with Rule 13d-3(d)(1)(i) of the Exchange Act. Additionally, each of William Anton and Jeff Monat are independent directors of the Company and holders of Debentures, Indus Warrants and Company Warrants. As such, the Offer may be considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions* ("MI 61-101") of the Canadian Securities Administrators. In the absence of exemptions, the Company is required to obtain a formal valuation for, and minority shareholder approval of, the "related party transaction." For the Offer, the Company is relying on the exemption from the formal valuation requirements of MI 61-101 contained in Section 5.5(b) of MI 61-101 on the basis that securities of the Company are not listed on any of the specified markets set out in such section. The Company is also relying on the exemption from the minority shareholder approval requirements of MI 61-101 contained in Section 5.7(1)(e) of MI 61-101 on the basis of meeting the financial hardship exemption requirements. The Special Committee unanimously determined, acting in good faith, that given the Company's financial circumstances as described above, the terms of the Offer are reasonable, and that the Company is eligible to rely on the exemption from the minority approval requirements of MI 61-101. For additional information see the section entitled "*Section II - Background of the Offer – Reasons for the Offer – Related Party Transaction*" in the Exchange Agreement.

9. Decision to Tender. Each Holder may elect to tender all but not less than all of their Securities for exchange. If a Holder does not elect to tender their Securities for exchange, such Holder will remain a Holder of such Securities as the same are modified pursuant to the Consent Agreement. If you are considering tendering your Securities to this Offer, please consult with your legal and tax advisors to ensure you understand the legal and tax consequences associated with your individual circumstances.

The Initial Closing is conditioned on, among other things, execution of the Consent Agreement by the requisite holders of Securities to effect certain amendments and modifications to the Securities and to the purchase agreement under which they were issued. Upon the consummation of the Initial Closing, the following amendments and modifications will become effective with respect to Securities that continue to be held by holders who do not participate in the Offer:

- The maturity date of the Debentures will be extended by five (5) years to October 13, 2028, and the interest rate on the Debentures will be reduced to 2% per annum.
- Upon notice from the Company, the Debentures will mandatorily convert to Class C Common Shares (the "Class C Common Shares") of Indus at the conversion price then in effect if the closing price of the Subordinate Voting Shares has been at least equal to such conversion price for any seven consecutive trading days.
- The exercise price applicable to the Company Warrants issued at the 2020 closing of the Debenture offering will be increased from $2.80 per share (which change in the exercise price from $0.28 is as a result of the Company Consolidation (as defined in the Exchange Agreement)), to $20.00 per share, and the exercise price applicable to the Company Warrants issued at the 2022 closing of the Debenture offering will be increased from $2.613 (which change in the exercise price from $0.2613 is as a result of the Company Consolidation), to $20.00 per share.
- The exercise price applicable to the Indus Warrants will be increased from $261.30 (which change in the exercise price from $0.2613 accounts for the Indus Consolidation (as defined in the Exchange Agreement)) per share to $20,000.00 per share; the end date of the exercise period under the Indus Warrants will be changed from February 19, 2026 to 30 days following the date of the Initial Closing; the rights of the holders of Indus Warrants to exchange Indus Warrants for Company Warrants or underlying Indus warrant shares for Company warrant shares will be eliminated; and the right of the holders of the Indus Warrants to require that they be purchased by the Company under certain circumstances will be eliminated.

- All accrued and unpaid amounts due under the Debentures other than principal and all claims for non-payment thereof will be fully and finally waived and released.
- The voting agreement entered into by the Company and the holders of Debentures (the "Debentureholders") in connection with the 2020 closing of the Debenture offering will be terminated.
- The operating covenants contained in the Debenture and Warrant Purchase Agreement effective April 10, 2020, as amended (the "Purchase Agreement"), among the Company, Indus and the Debentureholders will be eliminated.
- The Debentures, Company Warrants and Indus Warrants will be amended to provide that they may not be sold, assigned, transferred, pledged or otherwise disposed of in whole or in part unless the Holder delivers a copy of the Consent Agreement.

Simultaneously with and as a condition to the Initial Closing, at the Company's sole expense, the Collateral Agent, the Company and Indus will take such actions as are necessary to release all liens on and security interests in any assets of the Company, Indus or any of their subsidiaries in favor of the Collateral Agent or any Debentureholder.

It is contemplated that shortly following final Closing of the Offer the Brandco Operating Agreement will be amended and restated in a form proposed by the Collateral Agent (the "Amended and Restated Brandco Operating Agreement") which, pursuant to Section 17 of the Brandco Operating Agreement, may only be amended with the written consent of holders of a majority of the Brandco membership interests held by Members (as defined in the Brandco Operating Agreement) who are not, and are not (and have not been) affiliated with, any individual or entity contemplated to act as a manager or officer of the Company or to exercise any similar authority, whether under the terms of this Agreement as so amended, by election or appointment in accordance with this Agreement as so amended or otherwise, and who are not, and are not (and have not been) affiliated with, the Collateral Agent. **The Company expresses no opinion and does not intend to make a recommendation regarding any post-closing operating agreement for Brandco proposed by the Collateral Agent.**

10. **Manner of Acceptance.** To tender your Securities for exchange, please send us the Exchange Agreement, Consent Agreement, the Standstill Agreement and the Brandco Operating Agreement included in this packet by scanning and emailing it to Nicole Sanchez at nicole@lowellfarms.com as soon as possible. *For your tender to be effective, we must receive your fully executed agreements by no later than 11:59 pm Eastern time on October 13, 2023.*

11. **Withdrawal Rights.** Holders who tender their Debentures and associated Company Warrants and, if applicable, Indus Warrants for exchange in the Offer may withdraw their tender as long as the Company has not already conducted an Initial Closing with respect to those Securities and written notice of the withdrawal is emailed to Nicole Sanchez at nicole@lowellfarms.com so as to be received by the Company no later than 11:59 pm Eastern time on October 13, 2023.

12. **Extension of Offer.** The Company may, in its sole discretion, extend the Offer at any time or from time to time. If the Company extends the Offer, the Company will notify you no later than 9:00 a.m. Eastern Time, on the next business day after the date the Offer was scheduled to expire.

13. **Effecting the Exchange.** Subject to the terms and conditions set forth in the Offer, the Company will promptly after the Expiration Date issue the Company Share Consideration to the tendering Holders by delivering treasury directions to our transfer agent and cause Brandco to issue the Brandco Equity Consideration to the tendering Holders.

14. **Disclosure Documents.** The Company is subject to the information and reporting requirements of the Securities Exchange Act of 1934 (the "Exchange Act") and in accordance with the Exchange Act, the Company files periodic reports, documents and other information with the SEC relating to its business, financial statements and other matters. The following SEC filings made by the Company are publicly available, can be accessed on the SEC website at www.sec.gov, and are incorporated herein by reference. You are encouraged to check the SEC website for updated reports as the Company will not update this Offer to include future reports.

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC March 31, 2023, which contains audited financial statements of the Company for the fiscal years ended December 31, 2022, and 2021.
- Our Quarterly Reports on Form 10-Q filed with the SEC on May 12, 2023, and August 10, 2023.
- Our Current Reports on Form 8-K filed with the SEC on May 3, 2023, May 11, 2023, May 23, 2023, June 28, 2023, and August 23, 2023.
- Our Definitive Proxy Statement on Schedule 14A filed with the SEC on June 1, 2023.

You are advised to review carefully the information set forth in the SEC filings. Any questions about their contents should be directed to the Company's management.

If you have any questions about this Offer, please contact Mark Ainsworth by phone at 650-391-4077 or by email tomark@lowellfarms.com.

LOWELL FARMS INC.

By: /s/ *Mark Ainsworth*
Mark Ainsworth, Chief Executive Officer

Exhibit A – Exchange Agreement

LOWELL FARMS INC.

EXCHANGE INSTRUCTIONS

1. **Please complete, date and sign this Exchange Agreement (the "Agreement"),** the consent agreement (the "Consent Agreement") attached as Exhibit B to that certain Offer to Purchase dated September 17, 2023 enclosed herewith (the "Offer to Purchase"), the standstill agreement attached hereto as Exhibit C to the Offer to Purchase (the "Standstill Agreement") and the operating agreement of Brandco (the "Brandco Operating Agreement" and, together with this Agreement, the Consent Agreement, the Standstill Agreement and the Offer to Purchase, the "Offer"). By doing so, the undersigned holder of Debentures, Company Warrants and, if applicable, Indus Warrants (the "Holder") agrees to exchange all of their Debentures, Company Warrants and, if applicable, Indus Warrants for the Holder's Pro Rata Share of (i) 6,849,572 newly issued Subordinate Voting Shares and (ii) 100% of the membership interests in Brandco pursuant to the Offer to Purchase.

2. Capitalized terms used herein but not otherwise defined shall have the meanings prescribed to them in the accompanying Offer to Purchase.

3. Please keep a copy of all completed and signed documents for your records.

4. Please send your completed, dated and signed Agreement, Consent Agreement, Standstill Agreement and Brandco Operating Agreement to us by scanning and emailing it to Nicole Sanchez at nicole@lowellfarms.com as soon as possible. *We must receive your Notice by no later than 11:59 pm Eastern time on October 13, 2023.*

5. If the exchange becomes effective the Company will countersign your Agreement, Consent Agreement and Standstill Agreement and return copies to you.

QUESTIONS: If you have any questions about this Offer, please contact Mark Ainsworth by phone at 650-391-4077 or by email to mark@lowellfarms.com.

LOWELL FARMS INC.

EXCHANGE AGREEMENT

If you have any doubt as to the meaning or implication of any of the items in I.A, please contact Mark Ainsworth by phone at 650-391-4077 or by email to mark@lowellfarms.com.

I. HOLDER INFORMATION

A. Holder

Name of Holder(s) of Record (Print): _____

Contact Person/Trustee: _____

Number of Shares Tendered for Exchange: _____

Address: _____

Email Address: _____

Phone Number: _____

II. BACKGROUND OF THE OFFER

The following are the terms and conditions under which Holder will exchange his, her or its Debentures and associated Company Warrants and, if applicable, Indus Warrants.

The Debentures, Company Warrants and Indus Warrants.

The Debentures and associated Company Warrants and Indus Warrants were issued in two offerings beginning in April of 2020 and August of 2022, respectively, and their terms were subject to an adjustment as a result of the Company's 10:1 share consolidation (the "Company Consolidation") and Indus's 1000:1 share consolidation (the "Indus Consolidation" and, together with the Company Consolidation, the "Consolidations"). The Debentures issued in the 2020 offering (the "2020 Debentures") are convertible into Class C Common Shares at a conversion price of $2.00 per share (as a result of the Company Consolidation); the Class C Common Shares are in turn redeemable for 100 Subordinate Voting Shares (as a result of the Indus Consolidation) for no additional consideration. The 2020 Debentures were sold together as a unit with Company Warrants to purchase for $2.80 per share (as a result of the Company Consolidation) the same number of Subordinate Voting Shares as the number of Class C Common Shares that would be received upon conversion of the 2020 Debentures. The Debentures issued in the 2022 offering (the "2022 Debentures") are convertible into Class C Common Shares at a conversion price of $231.30 per share (as a result of the Indus Consolidation), which are redeemable for 100 Subordinate Voting Shares. The 2022 Debentures were sold together as a unit with (i) Company Warrants to purchase for $2.613 per share (as a result of the Company Consolidation) the same number of Subordinate Voting Shares that would be received upon conversion of the 2020 Debentures and (ii) Indus Warrants to purchase for $261.30 per share (as a result of the Indus Consolidation) a number of Class D Common Shares of Indus equal to 1.5 times the number of Class C Common Shares that would be received upon conversion of the 2022 Debentures, as subsequently adjusted as a result of the Consolidations.

Reasons for the Offer

Background

In Q4 2022, the Company began discretely canvassing several strategic parties to assess their interest in potentially acquiring all or a portion of the Company. George Allen, then the Company's non-executive Chairman, and principal of Geronimo Capital, LLC ("Geronimo Capital"), the collateral agent for the Debentures (the "Collateral Agent"), was responsible for soliciting such strategic interest on behalf of the Company. (See "*Related Party Transaction*".) This followed a decision by the Board of Directors of the Company (the "Board") that the Company not pay its third quarter interest expense on the Debentures (which had been due on September 30, 2022), as part of an effort to preserve cash in order to maintain sufficient liquidity to continue operations. The Debentures will mature on October 13, 2023, at which time an aggregate of $22,157,416.95 in principal, together with accrued and unpaid interest will be due and payable on the Debentures.

Mr. Allen provided an update on such discussions at a meeting of the Board on November 7, 2022. At such meeting, the Board also received a presentation from the Company's Canadian legal counsel regarding the duties and responsibilities of the Board in the context of a potential transaction, including how to manage potential conflicts, including that certain directors were also Debentureholders (as defined below). The Board then established a special committee of independent directors who were not creditors of the Company (the "Special Committee") with a mandate to: (a) consider strategic and financial alternatives available to the Company (the "Strategic Alternatives"); (b) consult with management on the use and application of the Company's cash resources; and (c) negotiate with the Company shareholders regarding potential amendments of outstanding debt and equity in the context of pursuing any of the Strategic Alternatives. Although Mr. Allen offered to resign from the Board as a result of the potential conflict, given the role he played in various discussions regarding Strategic Alternatives, the Board ultimately concluded that it was in the best interests of the Company for Mr. Allen to remain a member of the Board. Since he was not a member of the Special Committee, he was not involved in the decisions of the Special Committee but was able to support the Company as a member of the Board. The Special Committee subsequently interviewed a number of financial advisors with expertise in the cannabis industry to assist the committee in executing its mandate.

In the Company's current report on Form 8-K, filed with the SEC on January 13, 2023, the Company disclosed that it had formed the Special Committee to evaluate Strategic Alternatives and that the Special Committee had engaged Canaccord Genuity Corp. ("Canaccord") as its financial advisor.

On January 22, 2023, the Special Committee received a preliminary proposal from Mr. Allen, on behalf of Geronimo Capital, as the Collateral Agent, to settle the Debenture obligations by way of an asset transfer and share issuance. The Special Committee negotiated the terms of such settlement, which ultimately resulted in the execution of a letter of intent (the "Letter of Intent") on March 14, 2023.

Effective March 14, 2023, Mr. Allen resigned from the Board, and, over the ensuing months, the Special Committee and Mr. Allen engaged in extensive negotiations with respect to the transaction contemplated in the Letter of Intent. An agreement regarding revised principal terms for the settlement of the Debentures, which terms are reflected in the Offer, was reached on or about August 1, 2023 and were approved by the Board. After receiving advice from Canaccord, the Special Committee determined that the Offer was in the best interests of the Company and the best Strategic Alternative for the Company, and there were no viable alternatives available on commercially reasonable terms that would be more likely to improve the financial situation of the Company as compared to the Offer, which is expected to eliminate all amounts owing pursuant to the Debentures that are tendered in the Offer and to further enhance the Company's financial position by improving the terms of those Debentures that remain outstanding as a result of not being tendered in the Offer.

Related Party Transaction

Geronimo Capital is controlled by Mr. Allen, the former non-executive Chairman of the Board who held that position at the time negotiations related to the Offer were commenced and beneficially owns in excess of 10% of the Subordinate Voting Shares, as determined in accordance with Rule 13d-3(d)(1)(i) of the Exchange Act. Mr. Allen resigned from the Board effective March 14, 2023, following execution of the Letter of Intent but prior to the negotiations that led to the agreement on revised terms reflected in the Offer. Brian Shure, the former Chief Financial Officer, and a current director of the Company, also beneficially owns in excess of 10% of the Subordinate Voting Shares, as determined in accordance with Rule 13d-3(d)(1)(i) of the Exchange Act. Additionally, each of William Anton and Jeff Monat are independent directors of the Company and holders of Debentures, Indus Warrants and Company Warrants. As such, the Offer may be considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions* ("MI 61-101") of the Canadian Securities Administrators. In the absence of exemptions, the Company is required to obtain a formal valuation for, and minority shareholder approval of, the "related party transaction." For the Offer, the Company is relying on the exemption from the formal valuation requirements of MI 61-101 contained in Section 5.5(b) of MI 61-101 on the basis that securities of the Company are not listed on any of the specified markets set out in such section. The Company is also relying on the exemption from the minority shareholder approval requirements of MI 61-101 contained in Section 5.7(1)(e) of MI 61-101 on the basis of meeting the financial hardship exemption requirements. The Special Committee unanimously determined, acting in good faith, that given the Company's financial circumstances as described above, the terms of the Offer are reasonable, and that the Company is eligible to rely on the exemption from the minority approval requirements of MI 61-101.

Additionally, given the cost involved (which the Company is unable to bear), the Company did not obtain a fairness opinion, which would delay closing of the Offer and the Company's plans to address its financial situation.

Terms of the Offer

Holder consideration

Each Holder who elects to participate in the Offer will receive, upon the terms and subject to the conditions of the Offer, as consideration for such Holder's Tendered Securities such Holder's Pro Rata Share of (i) 6,849,572 newly issued Subordinate Voting Shares and (ii) 100% of the membership interests in Brandco. As used herein, a Holder's "Pro Rata Share" means the percentage of the total principal amount of all outstanding Debentures represented by the principal amount of the Debentures tendered by such Holder. It is a condition to the acceptance of the Offer by a Holder that such Holder tender or cause to be tendered all Debentures held by such Holder and such Holder's Affiliates together with the associated Company Warrants and Indus Warrants.

The Company Share Consideration will be valued at $0.30 per Subordinate Voting Share, for a total of $2,054,871.60 million of the total consideration, and the Brandco Equity Consideration will be valued at $20,102,545.35 million (or $[•] per Brandco membership interest) representing the difference between the outstanding principal amount of the Debentures and the portion of the Aggregate Consideration paid in Subordinate Voting Shares. The value of the Brandco Equity Consideration is based on the pending assignment by the Company to Brandco of the trademarks, logos and additional identifying marks related to the Company's "Lowell Herb Co." and "Lowell Smokes" brands and the use of the designation "35s" in connection with such trademarks and tradenames as further described below.

Lowell Smokes and 35s – Pursuant to an assignment agreement to be entered into concurrently with the Initial Closing, the Company will assign to Brandco the trademarks, logos and additional identifying marks related to the Company's "Lowell Herb Co." and "Lowell Smokes" brands and the use of the designation "35s" in connection with such trademarks and tradenames. The Company will also assign to Brandco its existing license agreements for the Lowell Smokes brand with Ascend Wellness LLC in Illinois and Massachusetts, Schwazze in Colorado and New Mexico and The Pharm in Arizona.

Benefits to the Company

Waiver of Outstanding Principal, Fees, Interest and Default Interest: Pursuant to, and as specified in further detail in, the Consent Agreement, all obligations and liabilities of (a) the Company and Indus, (b) the respective subsidiaries of the Company and Indus, (c) the officers, directors, managers, shareholders, partners, members, employees, agents and representatives of the persons described in (a) and (b) and (d) the predecessors, successors and assigns (including the heirs, estates and personal representatives) of each of the foregoing (individually, a "LF Party" and collectively, the "LF Parties") accruing prior to the date of such agreement under or with respect to the Debentures that have not heretofore been paid or satisfied, including all obligations and liabilities for interest, default interest and fees and all claims related to any prior default or nonpayment (but for the avoidance of doubt excluding solely the obligation to pay principal in accordance with the terms of the Debentures as hereby amended), will be fully and finally waived and released.

Amendments to Securities and Agreements: Pursuant to, and as specified in further detail in, the Consent Agreement, and taking into account the Consolidations: (a) the non-tendered Debentures will be amended to (i) extend their maturity date from October 13, 2023 to October 13, 2028; (ii) reduce the interest rate from 5.5% per annum to 2% per annum, and (iii) add a provision that, upon notice from the Company, the Debentures will mandatorily convert to Subordinate Voting Shares at the conversion price then in effect if the closing price of the Subordinate Voting Shares has been at least equal to such conversion price for seven consecutive trading days; (b) the exercise price applicable to the Company Warrants will be increased from $2.80 per share, in the case of the Company Warrants issued at the 2020 closing of the Debenture offering, or $2.613, in the case of the Company Warrants issued at the 2022 closing of the Debenture offering, to $20.00 per warrant share; and (c) the exercise price applicable to the Indus Warrants will be increased from $261.30 per warrant share to $20,000.00 per warrant share; the end date of the exercise period under the Indus warrants will be changed from February 19, 2026 to 30 days following the Initial Closing; and the right of the holders of the Indus Warrants to require that they be purchased by the Company under certain circumstances will be eliminated. In addition, the voting agreement entered into by the Company and the Debentureholders in connection with the 2020 closing of the Debenture offering will be terminated and the operating covenants contained in Purchase Agreement among the Company, Indus and the Debentureholders will be eliminated.

Release of Claims: Pursuant to, and as specified in further detail in, the Consent Agreement, the LF Parties and the Collateral Agent for the Debentures and their respective officers, directors, managers, employees, principals and agents, will be released, from any and all litigations, claims, causes of action, investigations, covenants, agreements, representations, obligations, costs, liabilities, expenses, losses and debts of any nature whatsoever (including for indemnification, advancement or contribution), whether presently known or unknown, at law or in equity, that are based on, arise from or relate to any acts, omissions, facts, events or circumstances occurring or existing at or prior to the applicable Closing.

Release of Security Interests: Pursuant to, and as specified in further detail in, the Consent Agreement, simultaneously with and as a condition to the Initial Closing, Geronimo Capital (as the Collateral Agent), the Company and Indus will, at the Company's sole expense take such actions as are necessary to release all liens on and security interests in any assets of the Company, Indus or any of their subsidiaries in favor of the Collateral Agent or any Debentureholder.

Amendment of the Brandco Operating Agreement: It is contemplated that shortly following the final Closing of the Offer the Brandco Operating Agreement will be amended and restated in a form proposed by the Collateral Agent (the "Amended and Restated Brandco Operating Agreement") which, pursuant to Section 17 of the Brandco Operating Agreement, may only be amended with the written consent of holders of a majority of the Brandco membership interests held by Members (as defined in the Brandco Operating Agreement) who are not, and are not (and have not been) affiliated with, any individual or entity contemplated to act as a manager or officer of the Company or to exercise any similar authority, whether under the terms of this Agreement as so amended, by election or appointment in accordance with this Agreement as so amended or otherwise, and who are not, and are not (and have not been) affiliated with, the Collateral Agent.

Standstill Agreement: Each Holder who elects to tender their Securities pursuant to the Offer will execute a Standstill Agreement, pursuant to which the Holder will agree that it will not, for a period ending on the first anniversary of the final Closing, unless approved in advance by writing by the Board in its sole discretion, (a) acquire sole or shared beneficial ownership (including by forming or as part of a "group" with any other party) of any additional Subordinate Voting Shares or other equity securities of the Company or any of its subsidiaries or of any securities or rights convertible into or exercisable or exchangeable for Subordinate Voting Shares or other equity securities of the Company; (b) make any statement or proposal to the Board or any of the Company's stockholders regarding, make any public announcement or proposal, or offer (including any "solicitation" of "proxies" as such terms are defined or used in Regulation 14A of the Securities and Exchange Act of 1934, as amended) with respect to, or otherwise solicit, seek or offer to effect (including for the avoidance of doubt, indirectly by means of communication with the press or media): (i) any business combination, merger, tender offer, exchange offer, or similar transaction involving the Company or any of its subsidiaries, (ii) any restructuring, recapitalization, liquidation or similar transaction involving the Company or any of its subsidiaries; (iii) any acquisition of any of the Company's or any of its subsidiaries' loans, debt securities, or assets; (iv) any proposal to seek representation on the Board or otherwise seek to control or influence the management, Board or policies of the Company or any of its subsidiaries, or any transaction that if consummated would result in a change in the composition of the management or Board or similar body of the Company or any of its subsidiaries or a change in the ownership of or rights in the assets or securities of the Company or any of its subsidiaries; (v) any request or proposal to waive, terminate or amend any provisions of this Agreement; or (vi) any proposal, arrangement or other statement that is inconsistent with the terms of the Standstill Agreement; or (c) instigate, encourage or assist any third party (including by forming or as part of a "group" with any such third party) to do, or enter into any discussions or agreements with any third party with respect to, any of the actions restricted as described above or take any action that would reasonably be expected to require the Company or any of its affiliates to make a public announcement regarding any of the actions restricted as described above.

California License Agreement: At the closing, Brandco will enter into a license agreement with Indus pursuant to which Brandco will provide Indus with an exclusive license in the State of California (the "Territory"), for an initial 5-year term and up to three 5-year extension terms, of the right to use the trademarks, tradenames and logos related to the "Lowell Herb Co." and "Lowell Smokes," brands and the use of the designation "35s" in connection with such trademarks and tradenames in connection with (i) the development, cultivation, extraction, processing, preparation, manufacturing and packaging within the Territory (and outside the Territory, provided that (A) such activities outside the Territory do not conflict with the license agreements assigned by the Company to Brandco and (B) the applicable products can be transferred to the Territory in compliance with applicable law and are marketed, sold and distributed solely within the Territory) and (ii) the marketing, sale and distribution solely within the Territory of cannabis products, including without limitation flower, vape pens, oils, extracts, edibles, tinctures and pre-rolled products. Each extension term is conditioned on Brandco and Indus, each acting reasonably, reaching agreement on minimum quarterly revenue requirements for such extension term. For so long as the license agreement remains in effect, Indus will have a right of first refusal with respect to any transaction proposed to be entered into by Brandco involving the sale, exclusive licensing or other disposition all or a substantial portion of Brandco's intellectual property related to the "Lowell" or "35s" product designation (other than a change of control of Brandco or a sale of all or substantially all of its assets at a time when Brandco's business encompasses substantial business activities beyond those relating to the "Lowell" brand and the "35s" product designation).

III. ADDITIONAL TERMS AND CONDITIONS

Agreement to Exchange and Subscribe. The undersigned Holder hereby agrees to sell, convey, transfer and assign to the Company effective as of the applicable Closing, free and clear of all liens, pledges, and encumbrances any kind, all of the Holder's Debentures, Company Warrants and, if applicable, Indus Warrants (which the Holder represents are as set forth on the signature page hereto, but which sale, conveyance, transfer and assignment will not be affected by any inaccuracy in the information set forth on the signature page hereto) in exchange for the Holder's Pro Rata Share of the Aggregate Consideration (such exchange is referred to herein as the "Exchange").

Conditions to Exchange. If the Holder wishes to participate in the Exchange, the Holder must execute**and** return this Agreement, the Standstill Agreement, the Consent Agreement and the Brandco Operating Agreement to the Company by 11:59 pm Eastern Time on October 13, 2023 (the "Expiration Date"). Subject to its right to withdraw its tender in the Exchange, (i) on the date of the applicable Closing, the Holder shall be obligated to consummate the Exchange on the terms of the Offer; and (ii) by executing the signature pages of this Agreement, the Consent Agreement, the Standstill Agreement and the Brandco Operating Agreement, the Holder will be bound by the terms and conditions thereof.

Company's Acceptance. If the Offer is consummated and the Company countersigns this Agreement, promptly after the Expiration Date, the Company shall deliver treasury directions to the Company's transfer agent to issue the Company Share Consideration and shall cause Brandco to issue the Brandco Equity Consideration to the Holder, and the Holder shall execute all such other documents as the Company may determine are reasonably necessary to convey the Securities to the Company and otherwise to consummate the Offer.

Taxpayer Identification Number; No Backup Withholding. Under penalty of perjury, the Holder certifies (i) that the taxpayer identification number being supplied herewith by Holder is Holder's correct taxpayer identification number, and (ii) that Holder is not subject to backup withholding under Section 3406(a)(1)(c) of the Internal Revenue Code. (If Holder cannot make this representation, please contact the Company).

Representations and Warranties of Holder. Holder hereby acknowledges, represents, warrants to the Company as follows:

- Holder has the right, power, legal capacity and authority to enter into and perform Holder's obligations under this Agreement, the Consent Agreement, the Standstill Agreement and the Brandco Operating Agreement; and no approvals or consents are necessary in connection with it. All of the Securities owned by Holder are owned free and clear of liens, pledges or encumbrances of any kind.

- Upon the Company's acceptance of this Agreement, the satisfaction of the other conditions to the effectiveness of the Exchange and the Holder's right to withdraw its tender, the Securities owned by Holder will be validly transferred to the Company free and clear of liens, pledges or encumbrances of any kind.

- Holder has been furnished all materials relating to the Company and its proposed activities the Holder has requested. Holder has carefully reviewed the Offer to Purchase, this Agreement, the Consent Agreement, the Standstill Agreement, the Brandco Operating Agreement and the SEC filings incorporated by reference herein and has had the opportunity to discuss with Company representatives any questions Holder may have had as to such materials, the Company, the business of the Company, or any other matters. Holder understands the risks of this investment, as described in the risk factors set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 31, 2023, our Quarterly Report on Form 10-Q for the period ended March 31, 2023 filed with the SEC on May 12, 2023, and our Quarterly Report on Form 10-Q for the period ended June 30, 2023, filed with the SEC on August 10, 2023. In deciding to participate in the Exchange, Holder has not relied on any statements or information other than those contained in this Agreement, the Offer to Purchase, the Consent Agreement, the Standstill Agreement, the Brandco Operating Agreement and the SEC filings incorporated by reference. Holder has been advised to consult with Holder's own legal, accounting, tax, investment and other advisors in connection with risks and consequences associated with investing in the Company. In deciding to participate in the Exchange, the Holder has not relied on any statement or information provided by the Collateral Agent.

- Holder acknowledges and understands that the Company Share Consideration and the Brandco Equity Consideration have not been registered under the Securities Act or any state securities act and are being offered and sold under the exemption from registration provided for in Section 4(a)(2) of the Securities Act and/or under Rule 506(b) of Regulation D promulgated thereunder and on a basis which is exempt from the prospectus requirements of Canadian securities laws, and that this transaction has not been reviewed by, passed on, or submitted to, any federal, state or provincial agency or self-regulatory organization.

- Holder agrees to the placement of a legend on any certificate or other document evidencing ownership of the Company Share Consideration, or the Brandco Equity Consideration subscribed for hereby stating that such securities have not been registered under the Securities Act (and a stop transfer may be placed with respect thereto).

- Holder is an "accredited investor" as defined in Rule 501 of Regulation D under the Securities Act and acknowledges that the Company Share Consideration and the Brandco Equity Consideration are being offered only to "accredited investors".

- Holder understands and acknowledges that this Offer constitutes a related party transaction for the reasons outlined in*Section II - Background of the Offer – Reasons for the Offer – Related Party Transaction.*

- Holder understands that the Company Share Consideration and the Brandco Equity Consideration are being issued pursuant to the Offer have no redemption rights and there are substantial restrictions on the transferability. As such, the Holder may have to bear the economic risk of the investment in such securities for an extended period of time. Holder represents Holder has adequate means of providing for their current needs and personal contingencies and has no need for liquidity in this investment.

- Holder acknowledges that neither the Company, Brandco nor any of their respective employees, officers, directors or agents has offered to sell the Company Share Consideration or the Brandco Equity Consideration to Holder by means of any form of general solicitation or general advertising, including any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio, or the Internet, or the solicitation by a person not previously known to the Holder in connection with investments in securities generally. The Holder acknowledges that the Offer is not being made in conjunction with any offering of securities that the Company has previously made.

- The Holder agrees promptly to notify the Company should the Holder become aware of any change in the information set forth in the representations. The Holder is advised that, by law, the Company may be required to disclose the identity of the Holder to OFAC (as defined below).

- The foregoing representations and warranties shall survive the execution of this Agreement and the applicable Closing.

Representations and Warranties of the Company. The Company represents and warrants to the Holder that the following are true and correct as of the date of the acceptance of this Agreement:

- The Company is a corporation duly formed, validly existing and in good standing under the laws of the Province of British Columbia, Canada and is duly licensed or qualified to transact business as a foreign corporation and is in good standing in each jurisdiction in which the nature of the business transacted by it or the character of the properties owned or leased by it required such licensing or qualification. The Company has the corporate power and authority to own and hold its properties and to carry on its business as now conducted and as proposed to be conducted, to execute, deliver and perform the Agreement, and to issue, sell and deliver the Company Share Consideration.

- Brandco is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and is duly licensed or qualified to transact business as a foreign limited liability company and is in good standing in each jurisdiction in which the nature of the business transacted by it or the character of the properties owned or leased by it required such licensing or qualification. Brandco has the limited liability company power and authority to own and hold its properties and to carry on its business as now conducted and as proposed to be conducted and to issue, sell and deliver the Brandco Equity Consideration.

- The execution and delivery by the Company of this Agreement, the Consent Agreement and the Standstill Agreement, the performance by the Company of its obligations hereunder and thereunder, and the issuance, sale and delivery of the Company Share Consideration have been duly authorized by all requisite Company action. Upon issuance of the Company Share Consideration, the shares shall be free and clear of all liens, charges, claims and encumbrances imposed by or through the Company.

- The issuance, sale and delivery of the Brandco Equity Consideration has been duly authorized by all requisite Brandco action. Upon issuance of the Brandco Equity Consideration, the membership interests shall be free and clear of all liens, charges, claims and encumbrances imposed by or through Brandco.

- This Agreement, when duly executed and delivered by the Company, will constitute a legal, valid and binding obligation of the Company, enforceable in accordance with its terms.

- No registration or filing with, or consent or approval of or other action by, any federal, state or other governmental agency or instrumentality is or will be necessary for the valid execution, delivery and performance by the Company of the Agreement, the issuance, sale and delivery of the Company Share Consideration or the Brandco Equity Consideration or, other than any filings that may be necessary pursuant to U.S. federal securities laws, state securities laws or Canadian securities laws (all of which filings, if required, have been or will be made by the Company, on a timely basis), in connection with the sale of the Company Share Consideration or the Brandco Equity Consideration.

- The foregoing representations and warranties shall survive the execution of this Agreement and the applicable Closing.

Indemnification. Holder agrees to indemnify and hold harmless the LF Parties and the Collateral Agent for the Debentures, and their respective officers, directors, managers, employees, principals and agents, from and against any and all loss, liability, claims, damage, and expense (including any expense reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) related to any false representation or warranty or any breach of agreement by Holder contained herein or in any other document furnished by the Holder to the Company or any of its affiliates (including Brandco) in connection with the Offer or the Exchange.

Agreement Binding on Holder's Successors. The representations, warranties and agreements in this Agreement shall be binding on Holder's successors, assigns, heirs and legal representatives and shall inure to the benefit of the respective successors and assigns of the Company.

USA Patriot Act Representations. Holders are directed to review the OFAC website at www.treas.gov.ofac before making the following representations. The Holder represents that the amounts contributed by it to the Company were not and are not directly or indirectly derived from activities that may contravene federal, state or international laws and regulations, including anti-money laundering laws and Federal regulations and executive orders administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") prohibit, among other things, the engagement in transaction with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found at the OFAC website. In addition, the programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the OFAC lists.

Holder hereby represents that, to the best of Holder's knowledge, neither of:

- the Holder,
- any person controlling or controlled by the Holder,
- if the Holder is a privately held entity, any person having a beneficial interest in the Holder, or
- any person for whom the Holder is acting as agent or nominee in connection with this investment,
- is a country, territory, individual, or entity named on the OFAC list, nor is a person or entity prohibited under the OFAC programs.

Governing Law. This Agreement shall be governed by the laws of the Province of British Columbia without giving any effect to conflicts of law principles.

Arbitration. Any controversy between Holder and the Company based on, arising from or related to the Company, this Agreement, the Consent Agreement, the Standstill Agreement, the Offer or the Exchange will be submitted to arbitration on the request of any party to any such controversy in [•]. The arbitration will comply with and be governed by the provisions of the commercial arbitration rules of the American Arbitration Association and no party to any such controversy shall be entitled to any punitive damages. Judgment may be entered upon any award granted in any such arbitration in any court of competent jurisdiction in the county and state in which the Company maintains its principal office at the time the award is rendered. By signing this Agreement, Holder agrees to waive their right to seek remedies in court, including any right to a jury trial; *provided, however*, that nothing in this paragraph will constitute a waiver of any right any party to this Agreement may have to choose a judicial forum to the extent such a waiver would violate applicable law.

Confidentiality. By accepting delivery of this proposed agreement, you acknowledge and agree that all of the information contained herein, except the information contained in publicly available sources, including but not limited to the Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, or Current Reports on Form 8-K is of a confidential nature. You further acknowledge that this proposed agreement has been furnished to you for the sole purpose of determining whether to participate in the Exchange and make an investment in the Company and Brandco. You agree that you will treat such information in a confidential manner, will not use such information for any purpose other than evaluating a proposed investment, and will not, directly or indirectly, disclose or permit your agents, representatives or affiliates to disclose any of such information without the prior written consent of the Company. You also agree to make your agents, affiliates and representatives aware of the confidential nature of the information contained herein and the terms of this paragraph including your agreement to not disclose such information and to be responsible for any disclosure or other improper use of such information by such agents, affiliates or representatives. Likewise, without the prior written consent of the Company, you agree that you will not, directly or indirectly, make any statements, public announcements, or other release or provision of information in any form to any trade publication, to the press or to any other person or entity whose primary business is or includes the publication or dissemination of information related to the subject matter of this proposed agreement. If you decide not to pursue further investigation of the Company, you agree to promptly return this proposed agreement and any accompanying documentation (and all copies thereof) to the Company upon request.

IV. SIGNATURE

Holder hereby sells, conveys, transfers and assigns to the Company, effective as of the date of the relevant Closing, in exchange for Holder's Pro Rata Share of the Aggregate Consideration and on the terms and subject to the conditions set forth in the Offer, all of Holder's Debentures, Company Warrants and, if applicable, Indus Warrants. Holder represents and warrants to the Company that it is the holder of the following Debentures, Company Warrants and Indus Warrants:

_____ Debentures

_____ Company Warrants

_____ Indus Warrants

IN WITNESS WHEREOF, the undersigned has executed this Exchange Agreement as of the date set forth below.

Date: _____

Holder: _____
Signature (if purchasing as Joint Tenants, both must sign)

Holder: _____

Print Name(s): _____
ACCEPTED:

LOWELL FARMS INC.

By: _____ Date: _____
Mark Ainsworth, CEO

CONSENT AGREEMENT

September 17, 2023

Reference is made to the Debenture and Warrant Purchase Agreement effective April 10, 2020 (the "Original Purchase Agreement") by and among Indus Holding Company, a Delaware corporation (the "Company"), Lowell Farms Inc., a British Columbia corporation ("Parent") and the purchasers signatory thereto, as amended by the First Amendment to Debenture and Warrant Purchase Agreement dated as of August 17, 2022 (the "Purchase Agreement Amendment"), by and among the Company, Parent and the purchasers signatory thereto (as so amended, the "Purchase Agreement"). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement or, if not defined in the Purchase Agreement, in the exhibits thereto.

In consideration of the mutual promises contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and acknowledging that the Company and Parent are taking actions to their detriment in reliance hereon, the undersigned Purchaser (the "Purchaser") and Geronimo Capital, LLC, as Collateral Agent, hereby agree as follows, which agreements shall be effective (a) with respect to Section 5, immediately, (b) with respect to Section 1(h), as of January 1, 2023 upon the execution of counterparts of this Agreement by the requisite Investors (as defined in the Voting Agreement) and other parties, (c) with respect to Section 1(i), subject to the effectiveness of the amendment provided for in Section 1(g), as of January 1, 2023 upon the execution of counterparts of this Agreement by the requisite Investors and other parties and (d) otherwise, subject to execution of counterparts of this Agreement by the requisite holders of Debentures, Warrants or Company Warrants, as applicable, and other parties (x) upon (i) the consummation of initial closing (the "Initial Closing") of the transactions (the "Transactions") contemplated by that certain Offer to Purchase Convertible Debentures and Warrants of Indus Holding Company and Warrants of Lowell Farms Inc. dated as of September 17, 2023 (the "Offer to Purchase") and (ii) without limitation of the other conditions to the Initial Closing under the Offer to Purchase, the satisfaction of all applicable regulatory conditions (including the approval requirements of all stock exchanges and interdealer quotation systems on which the Parent Shares are then listed or quoted), as determined by the board of directors of the Company, and (y) provided that the Initial Closing occurs no later than October 31, 2023:

Section 1. Purchaser hereby consents to the following matters:

(a) The Debentures are hereby amended as follows:

(i) The Maturity Date of the Debentures shall be October 13, 2028.

(ii) At any time after the date of the Initial Closing (as defined in that certain Consent Agreement dated September 17, 2023 among the Company, Parent and the other signatories thereto) (the "Initial Closing Date"), from and after the date that the closing price for the subordinate voting shares of Parent has been at least equal to the Conversion Price, as defined in the applicable Debenture, on each of seven (7) consecutive trading days, the Company may deliver a written notice to the Holder of such Debenture requiring that such Debenture be converted into Class C Common Shares. Effective as of the fifth (5^{th}) business day following delivery of such notice, such Debenture shall be converted into a number of Class C Common Shares determined pursuant to the conversion formula, including the provisions for adjustment thereto, set forth in such Debenture.

(b) All obligations and liabilities of (a) the Company and Parent, (b) the respective subsidiaries of the Company and Parent, (c) all current and former officers, directors, managers, shareholders, partners, members, employees, agents and representatives of the Persons described in (a) and (b) and (d) the predecessors, successors and assigns (including the heirs, estates and personal representatives) of each of the foregoing (individually, a "LF Party" and collectively, the "LF Parties") accruing prior to the date hereof under or with respect to the Debentures that have not heretofore been paid or satisfied, including all obligations and liabilities for interest, default interest and fees and all claims related to any prior default or nonpayment (but for the avoidance of doubt excluding solely the obligation to pay principal in accordance with the terms of the Debentures as hereby amended), are hereby fully and finally waived and released by Purchaser.

(c) The definition of "Exercise Price" in each of the Warrants is hereby amended in its entirety to read as follows:

"***Exercise Price***" means $20.00 USD per share, subject to adjustment as provided in Section 3 hereof.

(d) The Company Warrants are hereby amended as follows:

(i) The definition of "Exercise Period" in each of the Company Warrants is hereby amended in its entirety to read as follows:

"***Exercise Period***" means the time period commencing on the Initial 2022 Closing Date and ending 30 days after the Initial Closing Date (as defined in that certain Consent Agreement dated September 17, 2023 among the Company, Parent and the other signatories thereto).

(ii) The definition of "Exercise Price" in each of the Company Warrants is hereby amended in its entirety to read as follows:

"***Exercise Price***" means $20,000.00 USD per share, subject to adjustment as provided in Section 3 hereof.

(iii) Section 2.4 of each of the Company Warrants is eliminated and no Person shall be entitled to exercise the Expiration Put (as defined therein) or any other right or privilege to sell any Company Warrant or portion thereof to Parent, whether upon expiration of the Exercise Period, as amended hereby, or otherwise.

(e) The Debentures, the Warrants and the Company Warrants are each amended hereby to provide as follow:

Neither this instrument nor any interest herein may be sold, assigned, transferred, pledged or otherwise disposed of in whole or in part unless the holder hereof delivers to the recipient a copy of that certain Consent Agreement dated September 17, 2023 among the Company, Parent and the other signatories thereto.

(f) Section 6 of the Original Purchase Agreement is hereby amended in its entirety to read as follows: "[reserved]".

(g) Section 3 of the Purchase Agreement Amendment is hereby amended in its entirety to read as follows: "[reserved]".

(h) Clause (b) of the first paragraph of Section 4.8 of the Voting Agreement is hereby amended in its entirety to read as follows: "[reserved]".

(i) Section 1.7 of the Voting Agreement is hereby amended in its entirety to read as follows: "[reserved]".

(j) Purchaser hereby consents to the termination of the Voting Agreement.

(k) Purchaser hereby consents to the release of all liens on and security interests in any assets of Parent, the Company or any of their subsidiaries in favor of the Collateral Agent for the benefit of any holder of Debentures or otherwise supporting any of the obligations under the Debentures and instructs the Collateral Agent, Parent and the Company to take the actions described in Section 4 hereof.

Section 2. Purchaser hereby represents and warrants to, and agrees with, Company and Parent as follows:

(a) Purchaser is the sole record and beneficial owner of the Debentures, Warrants and Company Warrants listed on Schedule I to this Agreement (the "Subject Securities"). Purchaser has not transferred any interest in the Subject Securities to any other Person and agrees not to transfer any interest in the Subject Securities to any other Person unless, from and after November 1, 2023, the Initial Closing has not been consummated.

(b) Purchaser is the sole owner of the Released Claims, as defined inSection 3 below. Purchaser has not transferred any interest in the Released Claims to any other Person and agrees not to transfer any interest in the Released Claims to any other Person unless, from and after November 1, 2023, the Initial Closing has not been consummated.

Section 3. Effective upon the Initial Closing, Purchaser, on behalf of itself, himself or herself and its, his or her affiliates (excluding, for the avoidance of doubt, Parent, the Company or any of their current or former subsidiaries), each of their respective officers, directors, managers, shareholders, partners, members, agents, employees and the successors and assigns, as applicable, of the foregoing (the "Releasing Parties"), hereby releases, remises and forever discharges the LF Parties, and each of them, and the Collateral Agent from any and all litigations, claims, causes of action, investigations, covenants, agreements, representations, obligations, costs, liabilities, expenses, losses and debts of any nature whatsoever (including for indemnification, advancement or contribution), whether presently known or unknown, at law or in equity, that are based on, arise from or relate to any acts, omissions, facts, events or circumstances occurring or existing at or prior to the date of this Agreement, including without limitation the matters described in Section 1(b) and any rights or claims with respect to the offering and sale of the Debentures, Warrants and Company Warrants (all of the foregoing, collectively, the "Released Claims"), provided that the release in thisSection 3 shall not waive or release any rights or claims in favor of the Releasing Parties under this Agreement or, except for the matters described in Section 1(b), under the Debentures, Warrants or Company Warrants as amended hereby, and such excluded rights and claims shall not constitute Released Claims. The Releasing Parties shall not, and no one on their behalf shall, assert or file any litigation or other legal proceeding or assert any claim against any LF Party or the Collateral Agent arising out of any Released Claim. In the event that any litigation or other legal proceeding is filed or commenced or any claim is asserted against an LF Party or the Collateral Agent in breach hereof, such LF Party or the Collateral Agent, as the case may be, shall be entitled to recover its costs, fees and expenses, including reasonable attorney fees and costs at trial and on appeal, incurred in defending against such litigation or other legal proceeding or claim, from the Releasing Party. The Releasing Parties expressly waives any and all rights and benefits respectively conferred upon them by the provisions of Section 1542 of the California Civil Code, or any similar provision, right and benefit conferred by any law of any state or territory of the United States, or principle of common law. Section 1542 reads in pertinent part:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Releasing Parties acknowledge that they are fully informed and aware of their rights to receive independent legal advice regarding the advisability of the releases contemplated hereby and have received such independent legal advice as they deem necessary with regard to the advisability thereof. The Releasing Parties further acknowledge that they have made an investigation of the facts pertaining to the releases contemplated hereby as they have deemed necessary, and, further, acknowledge that they have not relied upon any statement or representation of others in entering into this Release Agreement.

Section 4. Effective upon the Initial Closing, the Collateral Agent, Parent and the Company will take such actions as are necessary to release all liens on and security interests in any assets of Parent, the Company or any of their subsidiaries in favor of the Collateral Agent for the benefit of any holder of Debentures or otherwise supporting any of the obligations under the Debentures.

Section 5. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Facsimile copies of signature pages shall be deemed executed originals. A counterpart to this Agreement may not be amended, modified or waived except in a written document executed by each of the signatories thereto. Sections 9(b), (f) and (h) of the Original Purchase Agreement are hereby incorporated by reference into this Agreement, *mutatis mutandis*, as if such provisions were fully set forth herein.

Remainder of page left blank intentionally. Signature pages to follow.

IN WITNESS WHEREOF, the undersigned has caused this Consent to be executed as of the date set forth below.

Purchaser:

_____

By: _____
Name:
Title:
Dated: _____, 2023

Confirmed and Agreed:

Indus Holding Company

By: _____
Name:
Title:

Lowell Farms Inc.

By: _____
Name:
Title:

Geronimo Capital, LLC, as Collateral Agent

By: _____
Name:
Title:

Schedule I

Purchaser Securities

Debentures: _____

Warrants: _____

Company Warrants: _____

STANDSTILL AGREEMENT

This STANDSTILL AGREEMENT (this "**Agreement'**) has been executed as of September [•], 2023, by and between Lowell Farms Inc., a British Columbia corporation ("**Parent**"), and the undersigned securityholder (the "**Subject Party**") and will become effective upon the closing of the Offer (as defined below).

WHEREAS, the Subject Party has received subordinate voting shares of Parent ("**Subordinate Voting Shares**") pursuant to that certain Offer to Purchase of Parent dated September 17, 2023 (the "**Offer**") and that certain Acceptance of Offer, Payoff Acknowledgment and Direction to Collateral Agent to Release Liens executed by the Subject Party in connection therewith (collectively, the "**Offer and Acceptance**"); and

WHEREAS, Parent and the Subject Party have agreed to establish certain provisions with respect to the Subject Party's acquisition of the Subordinate Voting Shares on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the covenants and undertakings set forth herein and in the Offer and Acceptance, the parties hereto agree as follows:

Unless approved in advance by writing by the Board of Directors of Parent (the '**Board**") in its sole discretion, the Subject Party agrees that neither it nor any of its Representatives will, for a period of twelve months after the date of this Agreement, directly or indirectly:

acquire sole or shared beneficial ownership (including by forming or as part of a "group" with any other party) of any additional Subordinate Voting Shares or other equity securities of Parent or any of its subsidiaries or of any securities or rights convertible into or exercisable or exchangeable for Subordinate Voting Shares or other equity securities of Parent; make any statement or proposal to the Board or any of Parent's stockholders regarding, make any public announcement or proposal, or offer (including any "solicitation" of "proxies" as such terms are defined or used in Regulation 14A of the Securities and Exchange Act of 1934, as amended) with respect to, or otherwise solicit, seek or offer to effect (including for the avoidance of doubt, indirectly by means of communication with the press or media): (i) any business combination, merger, tender offer, exchange offer, or similar transaction involving Parent or any of its subsidiaries, (ii) any restructuring, recapitalization, liquidation or similar transaction involving Parent or any of its subsidiaries; (iii) any acquisition of any of Parent's or any of its subsidiaries' loans, debt securities, or assets; (iv) any proposal to seek representation on the Board or otherwise seek to control or influence the management, Board or policies of Parent or any of its subsidiaries, or any transaction that if consummated would result in a change in the composition of the management or board of directors or similar body of Parent or any of its subsidiaries or a change in the ownership of or rights in the assets or securities of Parent or any of its subsidiaries; (v) any request or proposal to waive, terminate or amend any provisions of this Agreement; or (vi) any proposal, arrangement or other statement that is inconsistent with the terms of this Agreement, including Section 1.01(a) or this Section 1.01(b); or instigate, encourage or assist any third party (including by forming or as part of a "group" with any such third party) to do, or enter into any discussions or agreements with any third party with respect to, any of the actions restricted by Section 1.01(a) or (b) or take any action that would reasonably be expected to require Parent or any of its Affiliates to make a public announcement regarding any of the actions set forth in Section 1.01(a) or (b).

(a)

The following terms, as used herein, have the following meanings:

"**Affiliate**" means, with respect to any Person, any Person directly or indirectly controlling, controlled by, or under common control with, such other Person. For the purposes of this definition, "control" when used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"**Person**" means an individual, a corporation, a partnership, an association, a trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof, including its Affiliates.

(b)

"**Representatives**" means as to any Person, its Affiliates and its and their employees, officers, directors, partners, shareholders, agents, attorneys, accountants and advisors.

(c)

Specific Performance. The Parties agree that a breach or threatened breach of the covenants or restrictions contained in this Agreement would cause irreparable harm to Parent, and that a remedy at law for any breach or threatened breach would be inadequate and would be difficult to ascertain. Therefore, in the event of a breach or threatened breach of any of the covenants or restrictions contained in this Agreement, Parent shall have the independent right to enjoin the Subject Party from any threatened or actual activities in breach of this Agreement.

Amendments; No Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed by Parent. No failure or delay by Parent in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(d)

Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the Province of British Columbia.

(e)

Severability. In the event that any provision or portion of this Agreement is determined to be unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by applicable law.

Lowell Farms Inc.

By: _____
Name: _____
Title: _____

Subject Party:

_____

By: _____
Name: _____
Title: _____
Dated: _____, 2023

LIMITED LIABILITY COMPANY AGREEMENT

OF

LF BRANDCO LLC

This Limited Liability Company Agreement (this "Agreement") of LF Brandco LLC (the "Company") is adopted as of September 18, 2023, by Indus Holding Company, as the sole member of the Company (the "Initial Member" and, together with the persons and entities hereafter admitted as members of the Company, the "Members").

The Member hereby agrees as follows:

Name. The Company was formed on September 18, 2023 by the filing of a certificate of formation (the "Certificate") of the Company in the Office of the Secretary of State of the State of Delaware pursuant to and in accordance with the provisions of the Delaware Limited Liability Company Act (as amended from time to time, and any successor to such statute, the "Act"). The name of the Company is LF Brandco LLC, or such other name as the Members may from time to time hereafter designate.

Members. As of the date hereof, the Initial Member owns all limited liability company interests in the Company (the "Interests").

Registered Office and Agent. The registered office of the Company in the State of Delaware is 251 Little Falls Drive, Wilmington, Delaware 19808. The name of the registered agent of the Company in the State of Delaware at such address is Corporation Service Company. The Company shall maintain a principal place of business and office(s) at such place or places as the Members may from time to time designate.

Purpose. The purpose of the Company is to engage in any lawful business, purpose or activity, whether or not for profit, for which a limited liability company may be organized under the Act and to engage in any and all activities necessary or incidental to the foregoing.

Management. The Company shall be member-managed by the Initial Member (the "Managing Member"). The Managing Member shall have the power and authority on behalf of the Company to (a) take any action of any kind and to do anything and everything the Managing Member deems necessary or appropriate to carry on the business and purposes of the Company and (b) exercise all powers and authority of the Company in the management of the business and affairs of the Company. The Managing Member may from time to time delegate the management of the Company to designated managers and/or officers with such power and authority as the Managing Member may prescribe from time to time. The Managing Member may act by written consent signed by the Managing Member. The Managing Member may resign at any time and shall resign upon the earlier of (i) the first closing under the Offer to Purchase Convertible Debentures and Warrants of Indus Holding Company and Warrants of Lowell Farms Inc. dated as of September 17, 2023 (the "Offer to Purchase") following which at least 90% of the membership interests have been acquired by offerees thereunder (the "Offeree Members") and (ii) the amendment of this Agreement in accordance with Section 17 to provide for management other than by the Initial Member as Managing Member.

Issuance of Interests. Prior to the first anniversary of the final closing under the Offer to Purchase, the Company shall not issue any Interests for consideration based on a pre-money valuation that is less than $20,102,545 (adjusted to account for net equity contributions prior to such first anniversary).

Powers. The Company shall possess and may exercise all the powers and privileges granted by the Act, all other applicable Law or by this Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary, appropriate or advisable to the conduct, promotion and attainment of the businesses purposes or activities of the Company.

Additional Contributions. The Members are not required to make any additional capital contributions to the Company.

Distributions. All distributions shall be made to the Members on a pro-rata basis in accordance with the Members' respective Interests.

Term. The term of the Company shall be perpetual and shall continue in existence until dissolved in accordance with the provisions of the Act or of this Agreement.

Interests, Membership Units and Voting. The Interests, including the rights of the holders thereof to any and all benefits to which the holders thereof may be entitled as provided in this Agreement together with the obligations of the holders thereof to comply with all of the terms and provisions of this Agreement, are divided into units (the "Membership Units"), which Membership Units are not, and may not be, certificated, and which Membership Units are recorded in the books and records of the Company. Each Membership Unit shall have one vote on any matter submitted to a vote of Members.

Dissolution. The Company shall be dissolved and its affairs shall be wound up and terminated upon the earlier of (a) a determination of the Members to dissolve the Company in accordance with Section 10 of this Agreement and (b) the occurrence of any event causing a dissolution of the Company under the Act.

Liquidation. Upon a dissolution pursuant to Section 11 of this Agreement, the business and assets of the Company shall be liquidated in an orderly manner. The Managing Member or its designee shall be the liquidator to wind up the affairs of the Company pursuant to this Agreement. In performing its duties, the liquidator is authorized to sell, distribute, exchange or otherwise dispose of Company assets in accordance with the Act in any reasonable manner that the liquidator shall determine.

Books and Records. The Company shall maintain complete and accurate books and records of its business and affairs as required by the Act. The Members shall have complete access to all books and records of the Company at the Company's principal office during normal business hours.

Liability of Members. The Members shall not have any liability for the obligations or liabilities of the Company except to the extent provided in the Act.

Indemnification and Expenses.

Indemnification. In addition to the payment of expenses pursuant to Section 15(b) of this Agreement, to the fullest extent permitted by applicable Law, the Company agrees to indemnify, pay and hold harmless each current or former Member and any current or former officer, director, manager, shareholder, partner, member, employee, professional advisor, agent or affiliate of the Company or any current or former Member or director of the Company or their respective affiliates, in each case, in their capacity as such (each, an "Indemnified Person") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including any interest and penalties, out-of-pocket expenses, and the fees and disbursements of counsel for such Indemnified Person in connection with any investigative, administrative or judicial proceedings, whether or not such Indemnified Person shall be designated a party thereto), whether absolute, accrued, conditional or otherwise and whether or not resulting from third-party claims, which may be imposed on, incurred by, or asserted against any such Indemnified Person, in any manner relating to or arising out of any act or omission performed or omitted by such Indemnified Person on behalf of the Company or any of its subsidiaries, except that no Indemnified Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Indemnified Person which is determined by a final, non-appealable decision of a court of competent jurisdiction to have resulted from such Indemnified Person's fraud, willful misconduct or knowing violation of this Agreement with respect to such acts or omission.

Expenses. To the fullest extent permitted by applicable Law, expenses (including reasonable attorneys' fees, disbursements, fines and amounts paid in settlement) incurred by an Indemnified Person in defending any claim, demand, action, suit or proceeding relating to or arising out of his or her performance of his or her duties on behalf of the Company or any of its subsidiaries, or with respect to advice sought regarding his or her rights and responsibilities, or the protection of rights or interests, under this Agreement, shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Indemnified Person is not entitled to be indemnified as authorized by Section 15(a) of this Agreement.

Amendments. Prior to the first closing under the Offer to Purchase, this Agreement may not be amended except by an instrument in writing signed on behalf of the Initial Member, provided that this Agreement may be amended prior to such closing only if the transactions contemplated by the Offer to Purchase are abandoned by the Company. From and after the first closing under the Offer to Purchase, this Agreement may be amended with the written consent of holders of a majority of the Interests held by Members who are not, and are not (and have not been) affiliated with, any individual or entity contemplated to act as a manager or officer of the Company or to exercise any similar authority, whether under the terms of this Agreement as so amended, by election or appointment in accordance with this Agreement as so amended or otherwise, and who are not, and are not (and have not been) affiliated with, the collateral agent for the convertible debentures of Lowell Farms Inc., provided that (a) an amendment modifying the rights or obligations of any Member in a manner that is disproportionately adverse to (i) such Member relative to the rights of other Members in respect of Membership Units of the same class or series or (ii) a class or series of Membership Units relative to the rights of another class or series of Membership Units, shall in each case be effective only with that Member's consent or the consent of the Members holding a majority of the Membership Units in that class or series, as applicable, and (b) an amendment that does not (i) continue the limitations on amendments contained in the preceding clause (a), (ii) continue the limitations on the issuance of Interests contained in Section 6, (iii) implement a pro rata preemptive right in favor of the Members with respect to the issuance of additional equity interests or equity derivatives of the Company (subject to customary carve-outs), (iv) contain customary limitations on the liability of Members in connection with a "drag-along" transaction or (v) require the affirmative vote of at least a majority-in-interest of the Members to amend the provisions described in the preceding clauses (i) through (iv) shall require the consent of each Member.

Counterparts. This Agreement may be executed (including by electronic mail, in .pdf form or by any other electronic means, and including by electronically imaging a signature) in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when two or more counterparts have been signed on behalf of the holders of a majority of the Interests.

Headings. The titles of Sections of this Agreement are for convenience of reference only and shall not define or limit any of the provisions of this Agreement.

Governing Law. This Agreement, and all matters, disputes, claims, complaints, demands, suits, actions, causes of action, proceedings, litigations, administrative charges, investigations, hearings, audits, penalties, fines, assessments or arbitrations (whether in contract, in negligent tort or intentional tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement shall be governed by, and construed in accordance with, the internal statutes, laws, ordinances, codes, treaties, common law, directives, orders, rules or regulations ("Laws") of the State of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of Laws thereof.

Severability. If any term or provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced under any Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect.

Authorized Person. Mark Ainsworth is hereby designated as an "authorized person" within the meaning of the Act, and has executed, delivered and filed the Certificate with the Secretary of State of the State of Delaware. The actions taken by Mark Ainsworth as described in the prior sentence as an "authorized person" is hereby ratified and approved in all respects.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

[*Signature Page to Limited Liability Company Agreement of LF Brands LLC*]

Indus Holding Company

By _____
Name: Mark Ainsworth
Title: Chief Executive Officer

[*Signature Page to Limited Liability Company Agreement of LF Brands LLC*]

Additional Member:

_____

By _____
Name: _____
Title (if applicable): _____

EXHIBIT 10.2

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

This Assignment and Assumption of Contracts (this "Assignment") is made and entered into as of October 5, 2023 ("Effective Date"), by and between Indus LF LLC, a California limited liability company ("Assignor") and LF Brandco, LLC, a Delaware limited liability company ("Assignee"). Together, Assignor and Assignee are referred to as the "Parties" and individually as a "Party."

RECITALS

Assignor wishes to sell, assign and transfer to Assignee, and Assignee wishes to acquire, Assignor's entire right, title and interest in and to the Assigned Contracts (as defined herein).

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

AGREEMENT

1. Incorporation of Recitals; Capitalized Terms. The foregoing recitals are incorporated into and made a part of this Assignment as if fully set forth herein.

2. Assignment of Assigned Contracts. Assignor hereby assigns, grants, transfers and conveys to Assignee, its respective successors and assigns forever, all of Assignor's right, title and interest in, to, and under the contracts set forth in Schedule I attached hereto and made a part hereof (each an "Assigned Contract" and collectively, "Assigned Contracts").

3. Assumption of Assigned Contracts. Assignor hereby sells, assigns, grants, conveys and transfers to Assignee all of Assignor's right, title and interest in and to the Assigned Contracts. Assignee hereby accepts such assignment and hereby assumes and agrees to pay, perform and discharge any liabilities and obligations (financial or otherwise, including expenses) arising after the Effective Date under the Assigned Contracts, it being understood that such assignment and assumption by Assignee does not apply to liabilities and obligations that relate to any breach, default or violation of or by Assignor prior to the Effective Date which shall remain the sole responsibility of Assignor.

4. Entire Agreement. This Assignment, together with Schedule I, constitutes the sole and entire agreement of the Parties to this Assignment with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

5. No Third-Party Consents; Economic Benefit of Assigned Contracts. To the extent that Assignor's rights under any Assigned Contract may not be assigned to Assignee without the consent of another Person (defined below) which has not been obtained, or for any other reason, this Assignment shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful, and Assignor, at its expense, shall use its reasonable best efforts to obtain any such required consent(s) as promptly as possible. If any such consent shall not be obtained or if any attempted assignment would be ineffective or would impair Assignee's rights under the Assigned Contract(s) in question so that Assignee would not in effect acquire the benefit of all such rights, Assignor shall act, after the Effective Date, as Assignee's agent in order to obtain for it the benefits under the Assigned Contracts and shall cooperate, to the maximum extent permitted by law and the Assigned Contract(s), with Assignee in any other reasonable arrangement designed to provide such benefits to Assignee. "Person" means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association or other entity

6. Governing Law. THIS ASSIGNMENT (AND ANY CLAIM OR CONTROVERSY ARISING OUT OF THIS ASSIGNMENT) SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAW OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY DELAWARE STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN DELAWARE, IN WILMINGTON, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS ASSIGNMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR FOR THE RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT RELATING HERETO. BY SIGNING THIS ASSIGNMENT, EACH PARTY AGREES TO WAIVE THEIR RIGHT TO A JURY TRIAL.

7. Successors and Assigns. This Assignment shall be binding on and inure to the benefit of the Parties' successors and assigns.

8. Severability. If any provision of this Assignment or its application to any person or circumstance shall be declared invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Assignment or the application of such provision to persons or circumstances other that those to which it is invalid or unenforceable, shall not be affected thereby, and each provision shall be valid and enforceable to the maximum extent permitted by law.

9. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment by facsimile, portable document format or other electronic means shall be effective as delivery of a manually executed counterpart to this Assignment.

10. Further Assurances. Each of the Parties hereto shall execute and deliver, at the reasonable request of the other Party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other Party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

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IN WITNESS WHEREOF, the Parties have executed this Assignment and Assumption of Contracts intending to be legally bound as of the Effective Date.

ASSIGNOR:

Indus LF LLC

By: _____
Name:
Title:

ASSIGNEE:

LF Brandco, LLC

By: _____
Name:
Title:

[Signature Page to Assignment and Assumption of Contracts]

Schedule I

Assigned Contracts

EXHIBIT 10.3

INTELLECTUAL PROPERTY ASSIGNMENT

This Intellectual Property Assignment ("Assignment") is made and entered into as of October 5, 2023 ("Effective Date"), by and between **Indus LF LLC**, a California limited liability company ("Assignor") and **LF Brandco, LLC**, a Delaware limited liability company ("Assignee"). Together, Assignor and Assignee are referred to as the "Parties" and individually as a "Party."

RECITALS

Assignor wishes to sell, assign and transfer to Assignee, and Assignee wishes to acquire, Assignor's entire right, title and interest in and to the Assigned IP (as defined herein); and

Assignee and Assignor desire to record the assignment set forth in this Assignment with the United States Patent and Trademark Office and any other public records for which recording is deemed appropriate by Assignee.

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

AGREEMENT

1. Incorporation of Recitals; Capitalized Terms. The foregoing recitals are incorporated into and made a part of this Assignment as if fully set forth herein.

2. Assignment of Assigned Trademarks. Assignor hereby unconditionally and irrevocably assigns, transfers and conveys to Assignee, its successors and assigns, free and clear of all liens, claims and encumbrances (collectively, "Liens") other than Permitted Liens, and otherwise without representation or warranty, all of Assignor's right, title, and interest, throughout the world, in, to, and under the common law and registered trademarks set forth on Schedules I and IV attached hereto and made a part hereof, together with all registrations and applications for registration thereof, and all common law rights with respect thereto, and the use of the designation "35s" in connection with the trademarks and tradenames listed on Schedule I and IV (collectively, the "Assigned Trademarks"), including, without limitation, all right, title and interest of Assignor (a) to apply for and maintain registrations, renewals and/or extensions thereof and (b) to any claims and causes of action to recover past, present and future damages, royalties, fees, income, payments, profits and other proceeds or other relief or restitution, and equitable and injunctive relief ensuing from past, present and future infringement, dilution, misappropriation, unfair competition, violation, and/or misuse of the Assigned Trademarks. For the avoidance of doubt, (i) Assignor remains free to use the designation "35s" other than in connection with the Assigned Trademarks; and (ii) Assignee agrees it will not attempt to register "35s" independent of the Assigned Trademarks. As used herein, "Permitted Liens" means Liens created by Assignee.

Initials: _____
Initials: _____

3. Assignment of Assigned Domain Names and Assigned Accounts. Assignor hereby assigns, transfers and conveys to Assignee, its successors and assigns, free and clear of all Liens other than Permitted Liens, and otherwise without representation or warranty, all of its right, title, and interest, throughout the world, in and to (a) the domain names listed on Schedule II attached hereto and made a part hereof, together with the related webpages and content thereof (collectively, the "Assigned Domain Names") and (b) the social media accounts listed on Schedule III attached hereto and made a part hereof, together with the related content thereof (collectively, the "Assigned Accounts" and together with the Assigned Trademarks and the Assigned Domain Names, the "Assigned IP"), including, without limitation, all right, title and interest of Assignor to apply for and maintain registrations, renewals and/or extensions with respect to the Assigned Domain Names. Assignor further agrees, subject to the next succeeding paragraph, to provide Assignee with sufficient information to transfer control of the Assigned Accounts to Assignee.

Notwithstanding anything to the contrary, nothing herein shall constitute an assignment of any Assigned Account to the extent the assignment of such Assigned Account would constitute a violation of law (including any rule or regulation having the force of law) or would violate any applicable user agreement or other contract governing the use of such Assigned Account (either generally or as to one or more specific users). Each of the Parties will use their commercially reasonable efforts to eliminate any such legal or contractual impediment to the assignment of any Assigned Account.

Assignor shall execute all documents, papers, forms, and authorizations, and take such other actions as are reasonably requested by Assignee to (i) effectuate the transfer of ownership and control of the Assigned Domain Names to Assignee and (ii) cause the Assigned Domain Names to be registered or enable Assignee to register the Assigned Domain Names in the name of Assignee with the applicable domain name registry or registries.

4. Transition Matters. Assignor will deliver to Assignee copies of all digital files in its possession containing "Lowell" brand-specific photography, brand collateral, merchandise designs, packaging production specifications and design specifications and a list of vendor contacts related to "Lowell" branded products. For the avoidance of doubt, the delivery of such digital files and vendor contacts does not constitute an assignment, and no assignment is hereby effected, to Assignee of Assignor's right, title or interest in any intellectual property that may be contained therein that is not specified in Sections 2 and 3, provided that Assignee shall have a perpetual, irrevocable, non-exclusive right and license, to the extent of Assignor's right, title and interest, to use in connection with the "Lowell" brand and "Lowell" branded products any such intellectual property that has historically been used in connection with the "Lowell" brand or "Lowell" branded products. Assignor will retain all of its right, title and interest in and possession of all physical merchandise and swag in its inventory, subject to the terms of the License Agreement dated as of the date hereof between Assignee and Indus Holding Company, and the right to use such vendor contact list and the right to do business with any or all of the vendors listed thereon.

5. Recordation. Assignor hereby authorizes the Commissioner for Trademarks in the United States Patent and Trademark Office, and the officials of corresponding agencies in any applicable jurisdictions, to record and register this Intellectual Property Assignment upon request by Assignee. Assignor further agrees to execute such documents as may be reasonably requested by Assignee to record Assignee as the owner of the registered Assigned Trademarks, including, without limitation, the execution and delivery of any affidavits, declarations, oaths, exhibits, assignments, powers of attorney, or other documents, as may be reasonably requested by Assignee to effect, evidence, or perfect the assignment of the Assigned IP to Assignee, or any assignee or successor thereto.

Initials: _____
Initials: _____

6. Entire Agreement. This Assignment, together with Schedules I, II and III, constitutes the sole and entire agreement of the Parties to this Assignment with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

7. Governing Law. THIS ASSIGNMENT (AND ANY CLAIM OR CONTROVERSY ARISING OUT OF THIS ASSIGNMENT) SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAW OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY DELAWARE STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN DELAWARE, IN WILMINGTON, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS ASSIGNMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR FOR THE RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT RELATING HERETO. BY SIGNING THIS ASSIGNMENT, EACH PARTY AGREES TO WAIVE THEIR RIGHT TO A JURY TRIAL.

8. Successors and Assigns. This Assignment shall be binding on and inure to the benefit of the Parties' successors and assigns.

9. Severability. If any provision of this Assignment or its application to any person or circumstance shall be declared invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Assignment or the application of such provision to persons or circumstances other that those to which it is invalid or unenforceable, shall not be affected thereby, and each provision shall be valid and enforceable to the maximum extent permitted by law.

10. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment by facsimile, portable document format or other electronic means shall be effective as delivery of a manually executed counterpart to this Assignment.

11. Further Assurances. Each of the Parties hereto shall execute and deliver, at the reasonable request of the other Party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other Party may reasonably request to carry out the provisions hereof (including the release of any Liens, other than Permitted Liens, on the Assigned IP) and give effect to the transactions contemplated by this Agreement.

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Initials: _____
Initials: _____

IN WITNESS WHEREOF, the Parties have executed this Intellectual Property Assignment intending to be legally bound as of the Effective Date.

ASSIGNOR:

Indus LF LLC

By: _____
Name:
Title:

ASSIGNEE:

LF Brandco, LLC

By: _____
Name:
Title:

Initials: _____
Initials: _____

Schedule I

Assigned Trademarks

Initials: _____
Initials: _____

Schedule II

Assigned Domain Names

Initials: _____
Initials: _____

Schedule III

Assigned Accounts

Initials: _____
Initials: _____

Schedule IV

Blend Names

Initials: _____
Initials: _____

EXHIBIT 10.4

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "**Agreement**") is entered into as of October 5, 2023 (the "**Effective Date**") by and between LF Brandco LLC, a Delaware limited liability company with its registered address at 251 Little Falls Drive, Wilmington, Delaware 19808 ("**Licensor**"), and Indus Holding Company, a Delaware corporation with its principal place of business located at 19 Quail Run Circle, Salinas CA 93907 ("**Licensee**"). Licensor and Licensee are each a "**Party**" and together the "**Parties**".

Recitals

A. Licensee is a licensed manufacturer and distributor of cannabis products in California (the "**Territory**");

B. Licensor has acquired from an affiliate of Licensee all of such affiliate's right, title and interest in and to (i) the trademarks and tradenames listed on Schedule I hereto, including the names "Lowell Farms," "Lowell Herb Co." and "Lowell Smokes," (ii) the logos and additional identifying marks listed on Schedule I hereto ((i) and (ii) collectively, the "**Marks**") and (iii) the use of the designation "35s" in connection with the trademarks and tradenames listed on Schedule I hereto;

C. Licensee desires to obtain the right to use the Marks (as defined in Section 1 below) in its business of developing, cultivating, extracting, processing, preparing, manufacturing, packaging, marketing, selling and distributing cannabis products, including without limitation flower, vape pens, oils, extracts, edibles, tinctures and pre-rolled products (all of the foregoing, the "**Products**"), throughout the Territory, and Licensor desires to grant such rights to Licensee, all according to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby agree as follows:

1. Grant of License.

a. Licensor hereby grants to Licensee, subject to the terms and conditions of this Agreement, an exclusive, nontransferable (except in accordance with the provisions of Section 13(e) below) right (the "**License**") to use the Marks in connection with (i) the development, cultivation, extraction, processing, preparation, manufacturing and packaging within the Territory (and outside the Territory, provided that (A) such activities outside the Territory do not conflict with the license agreements listed on Schedule I to the Assignment and Assumption of Contracts dated as of October 5, 2023 between Indus LF LLC, a California limited liability company, and Licensor, as such license agreements are in effect on the date hereof and (B) the applicable products can be transferred to the Territory in compliance with applicable law and are marketed, sold and distributed solely within the Territory) and (ii) the marketing, sale and distribution solely within the Territory of (a) the products listed on **Schedule 1** hereto (collectively, the "**Existing Products**") and (b) any additional Products bearing the Marks developed, cultivated, extracted, processed, prepared, manufactured, packaged, marketed, sold or distributed by Licensee (the Existing Products and any such additional Products, the "**Licensed Products**"), in each case during the Term and the post termination sell-off period provided in Section 6(e) below. Notwithstanding the foregoing or anything else to the contrary herein, (x) the development, cultivation, extraction, processing, preparation, manufacturing and packaging within the Territory of Licensed Products by other licensees of Licensor will not breach this Agreement provided that the applicable products can be transferred out of the Territory in compliance with applicable law and are marketed, sold and distributed solely outside the Territory and (y) Licensor's license to Licensee of the "Lowell Farms" name shall be limited to its use as a corporate name and for corporate, communications and administrative purposes and shall in no event encompass the branding of Licensed Products or any other consumer products, and such license of the "Lowell Farms" name shall expire 180 days from the date of this Agreement. For the avoidance of doubt, to the extent that interstate distribution of Licensed Products becomes legal, the geographic scope of licensee's license to market, sell and distribute Licensed Products within the Territory shall not automatically be expanded and Licensee shall not engage in such activities outside the Territory without the prior written consent of Licensor. Licensee agrees that any and all common law trademark rights obtained by Licensee within the Territory through use of the Marks shall immediately inure to the benefit of Licensor and that Licensee shall have no claim to any common law or state trademark rights in respect of the Marks within (or outside) the Territory. Licensee agrees not to assert any superior trademark rights against Licensor's registration and/or use of the Marks except as provided in this Agreement.

b. Licensee shall have the right without the consent of Licensor to engage such distributors, manufacturers, third party logistics providers and other third party providers (collectively, "**Business Partners**") as it may determine in its sole discretion for purposes of the development, cultivation, extraction, processing, preparation, manufacturing, packaging, marketing, sale and distribution of Licensed Products and may grant to any such Business Partner (and to any affiliate of Licensee) a sublicense of the License rights granted to Licensee hereunder solely for the purpose of providing such services to Licensee. In no event shall Licensee grant to any Business Partner the right to market, sell or distribute Licensed Products for its own acccount, whether at wholesale or retail, without the prior written consent of Licensor. Licensee shall indemnify Licensor for any breach of this Agreement attributable to its Business Partners in accordance with Section 9 and shall be subrogated to the rights of Licensor against any Business Partner of Licensee.

c.

i. Licensor shall and shall cause its affiliates (together with Licensor, the "ROFR Parties") to, in the event the ROFR Parties, or any of them, contemplate entering into a transaction involving the sale, exclusive licensing or other disposition all or a substantial portion of Licensor's intellectual property related to the "Lowell" or "35s" brand (a "Section 1(c) Transaction"), prior to entering into any such Section 1(c) Transaction with a third party, first deliver to Licensee a notice (the "ROFR Notice") describing the applicable Section 1(c) Transaction and containing all material terms of such proposed Section 1(c) Transaction and (unless the proposed counterparty has a market capitalization of at least $20 billion or (if not publicly traded) has trailing 12-month EBITDA of at least $1.5 billion) the identity of the proposed counterparty. For the avoidance of doubt, a transaction involving a change of control of Licensor or a sale of all or substantially all of its assets at a time when Licensor's business encompasses substantial business activities beyond those relating to the "Lowell" brand and the "35s" product designation shall not constitute a Section 1(c) Transaction. Licensee shall execute and deliver to Licensor upon request a confidentiality agreement in the form attached as **Exhibit A** with respect to any ROFR Notice proposed to be delivered by Licensor.

ii. Upon receipt of a ROFR Notice, Licensee shall have 30 days (the "Exclusive Negotiating Period") to negotiate exclusively with the ROFR Parties with respect to the entry into such Section 1(c) Transaction on the terms set forth in the ROFR Notice, provided that Licensee shall be required to satisfy any non-cash consideration specified in the ROFR Notice (x) solely in cash or (y) to the extent the common equity securities of Licensee or its parent entity are listed on a national securities exchange in the United States or Canada (the Canadian Securities Exchange being deemed to be a national securities exchange for such purpose) and have had a weighted average daily trading volume of at least $1 million for a 20 trading day prior ending within two weeks prior to the commencement of the Exclusive Negotiating Period, up to 50% (at Licensee's option) in such common equity securities, valued at their 5-day average closing price prior to the commencement of the Exclusive Negotiating Period, and the remainder in cash. Non-cash consideration specified in the ROFR Notice shall be valued for such purpose based on its fair value as reasonably and mutually determined by Licensor and Licensee. During the Exclusive Negotiating Period, the ROFR Parties shall negotiate in good faith with Licensee with respect to such Section 1(c) Transaction.

iii. If Licensee does not deliver to the applicable ROFR Parties a written offer during the Negotiating Period, and the applicable ROFR Parties and Licensee do not otherwise reach agreement on the terms of the Section 1(c) Transaction that is the subject of the ROFR Notice during the Negotiating Period, the ROFR Parties shall be free for a period of 180 days after the end of Exclusive Negotiating Period to enter into such Section 1(c) Transaction with the third party identified in the ROFR Notice at pricing no lower and on terms no more favorable to the counterparty than those set forth in the ROFR Notice. If the ROFR Parties do not enter into definitive documentation for the proposed Section 1(c) Transaction within 180 days from the end of the Exclusive Negotiating Period or do not complete the proposed Section 1(c) Transaction within 365 days from the end of the Exclusive Negotiating Period, this Section 1(c) shall once again apply in its entirety to such Section 1(c) Transaction. In the event that Licensee and the ROFR Parties reach agreement on the terms of such Section 1(c) Transaction during the Exclusive Negotiating Period, Licensee and the ROFR Parties shall promptly negotiate and enter into definitive document consummating such Section 1(c) Transaction on the agreed terms and such other reasonable and customary as may be applicable taking into account general practice with regard to transactions of similar size and substance.

iv. This Section 1(c) shall have no further force or effect following (A) the transfer of this Agreement to a third party pursuant to a Section 1(c) Transaction or (B) the consummation of a Qualified IPO (but the Parties' rights with respect to a breach of this Section 1(c) prior to either such event shall not be affected thereby). "Qualified IPO" means an underwritten public offering on a national securities exchange in the United States or Canada in which not less than $75 million in gross proceeds are raised.

2. Sales Matters.

a. Licensee shall (i) maintain accurate books, accounts and records relating to the marketing and sale of the Licensed Products and (ii) not sell and/or distribute the Licensed Products outside the Territory or to anyone who Licensee knows or should reasonably know intends to resell the Licensed Products outside the Territory, without the prior written consent of Licensor. Licensor shall provide support and assistance as reasonably requested by Licensee in connection with the foregoing activities, all subject to applicable legal restrictions.

b. Neither Party shall issue or distribute any press releases or make any announcements relating to the other Party or this Agreement without the prior written consent of the other Party unless required by Applicable Law. Neither the foregoing nor Section 11 hereof shall not preclude Licensee and its affiliates from making disclosures determined in Licensee's reasonable discretion to be necessary or advisable in public filings and earnings press releases.

c. Within 10 business days of Licensee's delivery of each monthly royalty statement pursuant to Section 5(b), Licensor shall pay to Licensee solely for use in Licensee's marketing and advertising programs an amount equal to 0.5% of Net Revenue (as defined in Section 5(a)) for the applicable month as shown on such royalty statement, provided that Licensee may in its discretion offset such amounts against the License Fee. Cost of any branded semi-permanent items furnished by Licensor, such as display stands, will be shared 50/50 by Licensor and Licensee (it being understood that the determination to make use of such items shall be in Licensee's discretion). Notwithstanding anything in this Agreement to the contrary, Licensor shall seek prior written approval from Licensee on all marketing and advertising and related activity undertaken by Licensor in the Territory other than bona fide social media and digital marketing campaigns that have a significant scope both within and outside the Territory.

d. Licensee shall apply not less than 0.5% of Net Revenue annually to Licensee's marketing and advertising programs in the Territory. The amounts so applied shall not reduce the License Fee (as defined below).

e. All advertising, marketing, packaging and similar materials (including websites and online materials) used or distributed by Licensee in connection with the Licensed Products must display the applicable copyright, trademark, patent, and other legally required notices, legends, and symbols as Licensor may indicate to Licensee from time-to-time.

f. The Parties will confer on a quarterly basis regarding the wholesale and suggested retail prices for the Licensed Products from time to time; provided, however, that Licensee shall have no obligation to abide by Licensor's suggested wholesale and retail suggestions. Notwithstanding the foregoing, Licensee shall not increase the wholesale pricing of any Existing Products without the prior written consent of Licensor, such consent not to be unreasonably withheld, conditioned or delayed.

g. Subject to Section 13(h), as of the end of each calendar month during the Term, Licensee shall maintain a dollar amount of inventory of "Lowell" branded SKUs, determined in accordance with Licensee's ordinary accounting practices, equal to the average monthly dollar volume of sales (determined on the same basis as such inventory) of "Lowell" branded SKUs for the 6 months ending on the last day of the prior calendar month.

h. In the fourth year of each of the Initial Term and the Option Terms (each as defined below), the Parties shall use commercially reasonable efforts to agree on minimum quarterly revenue requirements for the upcoming renewal term as set forth in further detail in Section 6(a).

i. Licensed Products shall receive "most favored nations" sales commission pricing structure terms and no other Licensee brands (whether owned by Licensee or third party distribution partners) shall receive a higher base rate commission from Licensee. For the avoidance of doubt, Licensee and its distribution partners will not be restricted from creating bona fide incentives that do not have the overall effect of circumventing such "most favored nations" sales commission pricing structure.

j. Licensee shall not sell any "35s" branded products (including products manufactured for Licensee by third party manufacturers) at a lower cost than any comparable "Lowell 35s" product.

k. Licensor shall have the right to purchase up to $5000 per month in trade samples of "Lowell" branded products from Licensee to the extent that Licensor presents Licensee with a transaction structure that is legally compliant to effect such purchases. Such purchases shall be at wholesale prices less the effective royalty commission.

3. Production.

a. Product Manufacturing. Licensee shall manufacture, fill, package and warehouse (directly or through Business Partners) the Existing Products in conformity with Licensor's specifications for packaging materials (the "**Packaging**") set forth on **Exhibit B** (the "**Packaging Specifications**"), the specifications required for compliance with Applicable Law provided by Licensee, as amended (the "**Regulatory Specifications**" and, together with the Packaging Specified, the "**Specifications**") and the terms of this Agreement. Licensee shall maintain all information and records relating to the production of the Licensed Products as shall be required by Applicable Law.

b. Hauni and CME Machines. Licensee shall not produce any products on its Hauni preroll machine or CME packaging machine that have a shape and dimensions identical to any of the "Lowell" Existing Products without either a "Lowell" or "35's" logo on the front of the packaging box without the prior written consent of Licensor. Licensor shall bear the cost of one-third of all third party, out-of-pocket maintenance costs (including spare parts used), exclusive of internal labor costs, on the Hauni preroll machine and the CME packaging machine upon presentation of invoices by Licensee, provided that Licensee shall be entitled solely to offset such amounts against the Licensee Fee (and such amounts shall be carried forward as a credit to the extent that sufficient License Fees are not yet due).

5. Royalties and Payment Terms.

a. Royalties. In consideration for the License, Licensee shall pay to Licensor a royalty (the "**License Fee**") equal to 7% of Net Revenue in accordance with this Section 5, provided that the License Fee shall equal 2% of Net Revenue attributable to "35s" branded products that are not also branded "Lowell", provided further that Licensee shall receive a dollar-for-dollar credit, and no amount shall be due to Licensor, with respect to the first $1 million in License Fees that would otherwise be payable hereunder. The term "**Net Revenue**" means the net amount of collections actually received by Licensee with respect to wholesale sales of any Licensed Products incorporating the Marks by Licensee to unaffiliated third parties (including for any retail sales directly by Licensee) after giving effect to, and net of, (a) trade, quantity, and cash discounts; (b) credits or chargebacks for rejections or returns of any Licensed Product; (c) third party freight, insurance, and other transportation charges for shipping of Licensed Products to the extent separately stated in the applicable invoice; (d) sales and other taxes separately stated on the applicable invoice; and (e) any promotional discounts. Notwithstanding anything in this Agreement to the contrary, Licensee's reporting requirements in this Agreement shall apply to wholesale sales by Licensee only and shall include the following information: by account, SKU, volume, time period, frequency of order and any other metrics mutually agreed by the parties from time to time.

b. Royalty Payments. No later than 25 days after the end of each calendar month, Licensee shall provide a calculation of the License Fee earned by Licensor for such calendar month by product and channel together with such other information as may reasonably be requested by Licensor. Licensee shall pay to Licensor the License Fee earned by Licensor for such calendar month concurrently with the delivery of the royalty statement.

c. Late Payments. In the event Licensee fails to pay any amounts due under this Agreement within thirty (30) days of the due date thereof, Licensee shall be obligated to pay to Licensor late fees on such undisputed amount, computed at the rate of 12% per annum on the unpaid amount, compounded at the end of each calendar year, until paid in full. For the avoidance of doubt, the accrual of such interest shall not prevent the occurrence of any event of default arising from non-payment in accordance with Section 6(b).

d. Inspection and Audit. Licensor or its designee shall have the right, at reasonable times and upon reasonable advance notice, to have an independent auditor mutually agreed on by the parties (the "**Auditor**") to conduct an inspection and audit of the records of Licensee relating to the sales of Licensed Products and the maintenance of required inventory levels of "Lowell" branded products from time to time, during regular business hours and upon reasonable notice, to assure compliance with the provisions of this Agreement, not more frequently than annually (or every six (6) months if within one year of an audit revealing a material underpayment). If any audit reveals an underpayment, Licensee will promptly pay the underreported amounts within ten (10) days of the date the Auditor has delivered its report of the audit. If the underpayment is greater than five (5%) percent of the total License Fees being audited for a period of at least six months, then Licensee will also reimburse Licensor for the reasonable costs of the Audit within ten (10) days of the date the Auditor has delivered its final report of the audit.

6. Term and Termination.

a. Term.

i. The initial term of this Agreement shall be five (5) years, commencing on the Effective Date ("**Initial Term**"). Thereafter, this Agreement shall be subject to extension for up to three additional periods of five (5) years each (the "**Option Terms**") on the terms set forth in this Section 5(a).

ii. In the fourth year of the Initial Term and each of the first two Option Terms, in the event that Licensee wishes to extend this Agreement for the upcoming Option Term, the Parties, each acting reasonably, shall seek to reach agreement on minimum quarterly revenue requirements for such upcoming Option Term. In the event that Licensor and Licensee are unable to agree on such quarterly revenue requirements by 60 days prior to the end of the Initial Term or Option Term, as the case may be, Licensee may seek to resolve any dispute concerning the reasonableness of the Parties' positions in accordance with Section 13(j). Reasonableness shall be determined taking into account Licensee's historical sales performance and relative market performance. In the event the quarterly revenue requirements for any Option Term have not been established by the end of the Initial Term or Option Term, as applicable, and this Agreement is ultimately renewed for the upcoming Option Term, such requirements shall be applied retroactively once established.

iii. In the event this Agreement is renewed for all three Option Terms, after the end of the third Option Term, the term of this Agreement shall extend for additional consecutive one (1) year periods (each, and each Option Term, an "**Extended Term**") unless Licensor or Licensee provides written notice of termination to the other not less than sixty (60) nor more than one hundred twenty (120) days before the end of the immediately preceding Extended Term. The Initial Term and any and all Extended Terms(s), subject to the early termination provisions set forth below, shall be referred to collectively as the "**Term**". For annual Extended Terms following the completion of the third Option Term, there shall be a minimum annual revenue requirement equal to the average annual revenue achieved (or, if greater, required to be achieved) during the third Option Term.

iv. Failure to meet any minimum revenue requirements shall not be a basis for termination of this Agreement pursuant to Section 6(b) unless, following notice from Licensor of such failure within 60 days of royalty statements reflecting such failure for a six-month period during the Term, Licensee does not achieve minimum revenue requirements for the next six-month period during the Term.

b. Termination for Cause. Each Party shall have the right to terminate this Agreement by providing written notice to the other Party upon a Party's breach of any obligations (including undisputed payment obligations) under this Agreement that is not cured within sixty (60) days of receipt of written notice of such breach.

c. Termination for Legal Reasons. This Agreement shall terminate if: (i) a state regulator, or any other local, city or state governmental or regulatory body with authority, determines the Agreement is contrary to Applicable Law and such non-compliance cannot be cured within one-hundred and twenty (120) calendar days; or (ii) Licensee files for insolvency under bankruptcy laws, makes a general assignment for the benefit of its creditors, or ceases to do business for sixty (60) consecutive calendar days.

d. Effects of Expiration or Termination. Following the termination of this Agreement:

i. Subject to the sell-off rights set forth in Section 6(e), Licensee shall not prepare, package, distribute or sell the Licensed Products or make any use of the Marks;

ii. subject to the sell-off rights set forth in Section 6(e), (A) Licensee shall eliminate all references to Licensor, the Licensed Products and the Marks from Licensee's premises and personal property of Licensee and from all business stationery and all written, graphic, electromagnetic, digital or other advertising, marketing or promotional material used or maintained by Licensee, and Licensee shall not continue to represent in any manner whatsoever that Licensee has any connection with Licensor, the Licensed Products or the Marks; and (B) Licensor shall eliminate any references to Licensee from Licensor's premises and personal property of Licensor and from all business stationery and all written, graphic, electromagnetic, digital or other advertising, marketing or promotional material used or maintained by Licensor, and Licensor shall not represent in any manner whatsoever that Licensor has any connection with Licensee;

iii. subject to the sell-off rights set forth in Section 6(e) and in the event of the termination of this Agreement other than due to a breach or default by Licensor, upon Licensor's reasonable request, Licensee shall deliver to the Company or a third party, in accordance with Licensor's reasonable instructions, all of the Packaging bearing any of the Marks still in Licensee's possession or under its control, and Licensor shall, upon delivery thereof pursuant to such instructions, pay to Licensee a sum equal to Licensee's purchase price for the Packaging, provided that Licensor will accept and pay for only such Packaging to the extent (i) the quantities of such Packaging were purchased by Licensee in commercially reasonable amounts, as determined in Licensor's reasonable discretion and (ii) such Packaging is in first-class and useable condition, as determined by Licensor in its reasonable discretion, and do not bear the name (or other identifying marks) of Licensee or state-specific labels or other modifications as a consequence of which the Packaging cannot be re-labelled in a reasonable and commercially viable manner (the "**Modified Packaging**") (such Packaging, as described in the foregoing clause (i) and (ii), "**Materials Subject to Repurchase**"). All such Packaging that are not Materials Subject to Repurchase (e.g., Modified Packaging) shall be destroyed, at Licensor's election, by Licensee without cost to Licensor;

iv. subject to the sell-off rights set forth in Section 6(e), in the event of the termination of this Agreement due to a breach or default by Licensor, upon Licensee's reasonable request, Licensor shall purchase any Modified Packaging in Licensee's possession that cannot be sold in accordance with Section 6(e), in which event, Licensee shall submit an invoice to Licensor identifying the quantity of Modified Packaging and the cost thereof;

v. all rights and obligations hereunder, whether specifically set out or whether accrued or accruing by use, conduct or otherwise, shall expire, cease and end, provided that this provision shall not affect any breaches occurring or payment rights accruing prior to such termination, provided further that the following sections of this Agreement shall survive termination: 1(c),5(c), 5(d), 6(d), 6(e) and 8 through 13; and

vi. Licensee shall pay within sixty (60) days all undisputed unpaid invoice amounts that are due and owing to Licensor hereunder; and the Receiving Party shall immediately return or destroy all Confidential Information to the Disclosing Party (as such terms are defined in Section 11 below).

e. Sell-Off. Notwithstanding the provisions of Section 6(d), in the event of the termination of this Agreement other than due to a breach or default by Licensee, Licensee shall be permitted a period not to exceed one hundred and twenty (120) days following the date of receipt of a termination notice from Licensor (the "**Termination Date**") to sell all Licensed Products on hand as of the Termination Date, provided that Licensee shall continue to comply with the covenants hereunder with respect to all such sales and shall be liable for and account to Licensor for and pay to Licensor all License Fees applicable to such sales as provided herein notwithstanding the termination of this Agreement.

7. Representations, Warranties and Covenants.

a. Licensor's Representations, Warranties and Covenants. Licensor represents, warrants, and covenants to Licensee that:

i. Licensor is a validly existing business entity in good standing in the jurisdiction in which it was formed. Licensor has all necessary power and authority to perform its obligations and receive its benefits set forth in this Agreement (including, without limitation, to grant the License and other rights granted to Licensee in this Agreement). All necessary actions and approvals by Licensor's equity holders and board of directors or analogous governing body to authorize Licensor to enter into and perform this Agreement have been taken and given. This Agreement, when executed and delivered by Licensor, will constitute a valid and legally binding obligation of Licensor, enforceable against Licensor in accordance with its terms except as limited by (a) applicable bankruptcy or other similar laws and (b) equitable principles. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not violate or require any consent under any agreement, contract, instrument, license, permit, other governmental authorization, judgment, order, writ or decree to which Licensor is a party or by which any of its assets are bound.

ii. Licensor at all times shall comply with, and perform its obligations under this Agreement in accordance with, Applicable Law.

iii. Licensor owns all right, title, and interest in and to the Licensed IP or has sufficient license rights in and to the Licensed IP to grant the License and other rights granted to Licensee in this Agreement.

iv. Licensor shall not grant any right to any person or entity that would conflict with or be inconsistent with any rights granted to the Licensee hereunder. In particular, Licensor shall (a) not itself promote, market, or sell any Licensed Products in the Territory and (b) not grant any third party any right or license to promote, market, or sell any Licensed Products in the Territory.

v. Licensor has not received any notice of (a) any claim that Licensor or any of the Licensed IP or Licensed Products violate, infringe, or misappropriate any patent, trademark, or other intellectual property or proprietary right of any third party or (b) any claim seeking to invalidate or otherwise challenge any of the Licensor's rights in the Licensed IP or Licensed Products.

vi. Upon Licensee's reasonable request, Licensor shall provide to Licensee such information related to the Licensed Products and their packaging, labeling, and advertising as is reasonably necessary to allow Licensee to produce, advertise, and/or sell the Licensed Products.

vii. Licensor does not have any intellectual property rights other than its right, title and interest in the Marks that would be required to be licensed hereunder in order for Licensee to develop, cultivate, extract, process, prepare, manufacture, package, market, sell or distribute the Existing Products.

b. Licensee's Representations, Warranties and Covenants. Licensee represents, warrants, and covenants to Licensor that:

i. Licensee is a validly existing business entity in good standing in the jurisdiction in which Licensee was formed and is authorized to do business in the Territory. Licensee has all necessary power and authority to perform its obligations and receive its benefits set forth in this Agreement. All necessary actions and approvals by Licensee's owners and applicable governing body to authorize Licensee to enter into and perform this Agreement have been taken and given. This Agreement, when executed and delivered by Licensee, will constitute a valid and legally binding obligation of Licensee, enforceable against Licensee in accordance with its terms except as limited by (a) applicable bankruptcy or other similar laws and (b) equitable principles. The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby will not violate or require any consent under any agreement, contract, instrument, license, permit, other governmental authorization, judgment, order, writ, or decree to which Licensee is a party or by which any of its assets are bound.

ii. Licensee shall be solely responsible in carrying out all of its rights and obligations under this Agreement, for compliance with all statutes, regulations and laws issued by government, local or other competent authorities applicable in the Territory ("**Applicable Law**"), including without limitation labeling requirements and conformity of the packaging of the Licensed Products with Applicable Law.

iii. All Licensed Products distributed, marketed, and/or sold by Licensee shall be of good and merchantable quality, free from defects, wholesome and fit for its intended purpose.

iv. Licensee shall obtain and maintain customary products liability insurance on commercially reasonable terms and shall on request produce evidence satisfactory to Licensor of the existence of such insurance. The insurance required by this Agreement is in addition to any insurance policy required to be maintained as a condition of Licensee's state licensure. Licensor shall not be a named insured on the insurance policy required to be maintained as a condition of Licensee's state licensure.

8. General Compliance with Law.

a. Compliance with Applicable Law. Each of Licensor and Licensee at all times shall comply with and perform its obligations under this Agreement in accordance with Applicable Law.

b. Conflicts with Applicable Law. The Parties recognize that they are operating and entering into this Agreement in a highly-regulated, rapidly-evolving legal and business environment. As a result, the Parties may need to make adjustments to their business relationship. In the event of any inconsistency between the requirements of Applicable Law and the terms of this Agreement, the requirements of Applicable Law shall control. Without limiting the Parties' rights under Section 6(c), in the event Licensor or Licensee believes that Applicable Law requires it to not comply with or to diverge from the requirements of this Agreement or that performance of its obligations under this Agreement would violate Applicable Law (each, a "**Regulatory Issue**"), the affected Party shall so notify the other Party promptly of such Regulatory Issue and the Parties shall use their good faith best efforts to resolve the Regulatory Issue promptly (and, if necessary, to amend the Agreement so the Parties' performance hereof will comply with Applicable Law while effecting the original intent of the Parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible).

c. Federal Law. Licensor and Licensee both acknowledge that the activities contemplated by this Agreement relating to cannabis products are currently illegal under United States federal law. Neither Party, and no one acting on either Party's behalf, has made any representation to the contrary. The Parties hereby acknowledge and agree that, despite the fact that the cultivation, possession, and distribution of cannabis products remain illegal under federal law, it is legal within the Territory. Accordingly, the Parties waive any defense as to the enforcement of this Agreement based upon an "illegality of purpose" theory or other related defenses.

9. Indemnification; Limitation of Liability.

a. Licensor Indemnification. Licensor shall indemnify, defend, and hold harmless Licensee, and its managers, members, officers, employees, customers, affiliates, representatives, and agents, from and against any third-party claim, suit, loss, demand, damage, liability, cost, and expense (including, without limitation, all reasonable attorneys' fees and court costs) of whatever kind or nature (collectively, "**Claims**") in connection with or arising out of (a) Licensor's breach of any warranty, representation, covenant, or obligation contained in this Agreement; (b) the fraud, intentional misconduct, or gross negligence of Licensor or its directors, officers, employees, or agents; and (c) the actual or alleged infringement by Licensor, the Licensed IP, or the Licensed Products of any patent, trademark, copyright, trade secret, or other intellectual or proprietary right.

b . Licensee Indemnification. Licensee shall indemnify, defend and hold harmless Licensor, and its directors, officers, employees, customers, affiliates, representatives, and agents from and against any Claims in connection with or arising out of (a) Licensee's breach of any warranty, representation, covenants, or obligation contained in this Agreement (including any breach of this Agreement attributable to the acts or omissions of any of Licensee's Business Partners) and (b) the fraud, intentional misconduct, or gross negligence of Licensee or its Business Partners or its or their directors, officers, employees or agents.

c. Process. The person or entity seeking indemnification pursuant to Section 9(a) or 9(b) above shall (a) promptly notify the indemnifying Party in writing of any threatened or pending Claim (provided that any delay in providing notice shall reduce the right to indemnification only to the extent the indemnifying Party is adversely affected by that delay) and (b) give the indemnifying Party reasonable information and assistance, as requested and at the indemnifying Party's expense, in connection therewith. The indemnifying Party shall have the sole right to control the defense of any Claim and the sole right to settle or compromise any Claim (provided that the indemnifying Party may not agree to any settlement or compromise without the indemnified person's or entity's prior written consent if such settlement or compromise (x) does not contain a complete release of claims against the indemnified persons and entities, (y) contains any admissions of guilt or fault by or on behalf of the indemnified persons or entities, or (z) imposes any obligations on the indemnified persons or entities (such as, without limitation, any obligation to pay any money or any obligation to refrain from or engage in any particular conduct or business activity)).

10. Intellectual Property.

a. Licensee acknowledges and agrees that Licensor is the sole and exclusive owner of the Marks. Licensee acknowledges and agrees that the only rights that Licensee has with respect to the Marks are those expressly set forth in this Agreement. Licensee shall not contest, or at any time place at issue the validity or ownership of, any of Licensor's rights in and to the Marks. Licensee shall not at any time adopt or use, without Licensor's prior written consent, any name or trademark that is confusingly similar to or likely to be confused with the Marks.

b. Licensor has the sole and exclusive right and responsibility to initiate and defend all proceedings and actions relating to the Marks. Licensor may initiate or defend any such proceedings or actions in its own name or require Licensee, at Licensor's expense, to institute or defend such proceedings or actions either in its own name or in the joint names of Licensee and Licensor. At the request and sole expense of Licensor, at Licensor's expense, Licensee will render assistance in any such action. Licensee shall not have any claim against Licensor as a result of such proceedings or action or for any failure to institute or defend such proceedings or action. Licensee shall promptly notify Licensor of any litigation or proceedings instituted or threatened affecting these matters. Notwithstanding the foregoing, Licensee shall have the right to defend, at Licensor's expense, any legal or administrative proceedings brought by third party relating to the Marks. Licensee shall not institute any legal or administrative proceedings against any third party which may affect the interests of Licensor without the prior written consent of Licensor, which consent shall not be unreasonably withheld, conditioned or delayed. In the event Licensor does not elect to itself initiate any such legal or administrative proceedings, any recoveries thereon in an action instituted by Licensee shall be retained by Licensee.

11. Confidentiality.

a. Confidentiality General. Each Party and its employees, agents, and representatives (collectively, the "**Receiving Party**") may receive or have access to Confidential Information (as defined below) of the other Party (the "**Disclosing Party**") as a result of their relationship and this Agreement. As used in this Agreement, "**Confidential Information**" means all information of the Disclosing Party, whether of a technical, business, or other nature (including, without limitation, trade secrets, know-how, and other information relating to the products, customers, business plans, promotional and marketing activities, finances, and other business affairs of the Disclosing Party), that has been identified as being proprietary and/or confidential or that, based on the nature of the information or the circumstances under which it was disclosed, a reasonable person would believe to be confidential or proprietary. Confidential Information also includes the existence of this Agreement.

b. Disclosure and Use. During the term of this Agreement and thereafter, the Receiving Party shall (a) not disclose any Confidential Information to any third party except as expressly permitted by this Agreement; (b) not use, or permit others to use, any Confidential Information for any purpose except as expressly permitted by this Agreement; and (c) promptly notify the Disclosing Party if the Receiving Party becomes aware of any unauthorized use or disclosure of the Confidential Information and, at the Disclosing Party's request, take such action as may be reasonably necessary to terminate or remedy any unauthorized use or disclosure. The Receiving Party may (y) disclose Confidential Information to its directors, managers, officers, employees, and agents who have a reasonable need to know such information in connection with the Receiving Party's performance of its obligations or receipt of its benefits under this Agreement and who are informed of the restrictive provisions in this Agreement relating to that Confidential Information and (z) disclose Confidential Information as required by law or regulations, as reasonably determined by the Receiving Party or its legal counsel, or on a confidential basis to the Receiving Party's attorneys, accountants, and other professional advisors.

c. Exclusions. Confidential Information does not include, and the Receiving Party shall have no obligation hereunder with respect to, any information that (a) was known to the Receiving Party without restriction before receipt, directly or indirectly, from the Disclosing Party; (b) is lawfully obtained by the Receiving Party from a third party who is under no obligation of confidentiality; (c) is or becomes publicly available other than through the fault of the Receiving Party; (d) is developed by the Receiving Party without use of the Confidential Information; or (e) is include in Licensee's public filings or earnings press releases pursuant to Section 2(b).

d. Ownership. As between the Disclosing Party and the Receiving Party, all Confidential Information shall remain the exclusive property of the Disclosing Party, and the Receiving Party shall have no rights, by license or otherwise, to use the Confidential Information except as expressly permitted herein. Except as expressly stated herein, no patent, copyright, trademark, or other proprietary right, express or implied, is created, licensed, granted, or otherwise conveyed by this Agreement with respect to Confidential Information.

e. Return or Destruction. Upon written demand by the Disclosing Party (except as provided herein to the contrary), the Receiving Party shall return or irrevocably destroy all Confidential Information in the Receiving Party's custody, possession, or control (including, but not limited to, electronic copies); except that copies may be kept in the Receiving Party legal files for administration of this Agreement and shall remain subject to the confidentiality obligations set forth herein. This excludes all documents and records that must remain on file for the period required by regulating bodies that govern the Licensee in the Territory.

12. Product Recall.

a. The Parties will cooperate in good faith to respond to all customer inquiries and complaints relating to the Licensed Products and the record keeping and reporting relating thereto. Licensor will provide all reasonable assistance requested by Licensee in investigating customer complaints, incidents, or near incidents regarding the Products (each a "**Customer Complaint**"). In the event any regulatory authority seizes any Licensed Product, requests a recall of any Licensed Product (a "**Regulatory Recall**"), or otherwise notifies Licensor or Licensee of any violation or potential violation of any Applicable Law (each a "**Regulatory Issue**"), the first Party who received a notification from the applicable regulatory authority must promptly (i) notify the other Party and (ii) provide the other Party with a copy of any applicable Regulatory Recall letter or equivalent written notification. In the event of a Customer Complaint or Regulatory Issue, the Parties will work together and cooperate in good faith to promptly remediate such Customer Complaint or Regulatory Issue, as applicable. Each Party shall be responsible for each such Party's costs associated with such Customer Complaint or Regulatory Issue, provided that in the event the Customer Complaint or Regulatory Issue arises due to the actions or inaction of Licensee or matters within the responsibility of Licensee hereunder (including failure to comply with Applicable Law in the Territory), all out of pocket costs of Licensor shall be borne by Licensee, and in the event the Customer Complaint or Regulatory Issue arises due to the actions or inaction of Licensor or matters within the responsibility of Licensor hereunder, all direct out of pocket costs of Licensee shall be borne by Licensor. Moreover, the Parties will each provide information reasonably requested by the other Party to investigate the cause and extent of such Customer Complaint or Regulatory Issue, as applicable. Licensee agrees to consult with Licensor on all product liability claims, proceedings or actions brought against Licensor in connection with the Licensed Products and to take such action with respect to the defense of any such claim or lawsuit as Licensor may reasonably request in order to protect the interests of Licensor and the Marks or the goodwill associated with therewith, which shall be at Licensor's expense.

13. General.

a. Notice. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated (unless another method of notice is specifically permitted by the terms of this Agreement in specific circumstances): (a) by personal delivery when delivered personally; (b) by reputable overnight courier, fees prepaid, upon verification of receipt; (c) by telecopy or facsimile transmission when confirmed by telecopier or facsimile transmission; or (d) by certified or registered mail, return receipt requested, upon verification of receipt. All notices must be sent to the addresses in the preamble of this Agreement or to such other address that the receiving Party may have provided for the purpose of notice in accordance with this Section 13(a).

b . Exclusion of Consequential Damages. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, OR OTHERWISE, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

c. Severability. If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon a determination that any term or provision is invalid, illegal, or unenforceable, the court is authorized and requested to modify this Agreement to effect the original intent of the Parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

d. Counterparts. This Agreement may be executed in one or more counterparts, any one of which need not contain the signatures of more than one Party, but all such counterparts taken together shall constitute one and the same agreement. This Agreement may be executed by facsimile signature or electronic exchanges of documents bearing a scanned signature or other image of a signature, and a facsimile, scanned or other electronic image, or copy of a signature is valid as an original.

e. Assignment. Neither Party may assign or delegate this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party; provided, however, that (a) each Party may assign and delegate this Agreement and its rights and obligations hereunder to a company that controls, is controlled by, or is under common control with, that Party and (b) each Party may assign and delegate this Agreement and its rights and obligations hereunder in connection with any merger, reorganization, consolidation or sale of substantial portion of assets of the assigning Party. A change of control or sale of equity interests in any Party will not be deemed to be an assignment. The rights and obligations of the Parties will bind and inure to the benefit of their permitted successors and assigns.

f. Independent Contractor. The relationship of Licensor and Licensee established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to constitute the Parties as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking. Neither Party shall have any authority to contract for, make decisions for, or bind the other Party in any manner whatsoever.

g. Waiver. The failure of either Party to exercise any right hereunder shall not be deemed to be a waiver of such right. The failure of either Party to require performance by the other Party of any provision of this Agreement shall not affect the right to require such full performance at any time thereafter; nor shall the waiver by either Party of a breach or any provision hereof be taken or held to be a waiver of the provision itself. Unless otherwise expressly stated: all rights and remedies of any Party are cumulative and concurrent and the exercise of one right or remedy shall not be deemed a waiver or release of any other right or remedy. No waiver of any term or condition of this Agreement will be valid unless in writing and signed by the Party granting the waiver.

h. Force Majeure. Neither Party shall be liable to the other for any failure to perform its obligations if such failure is due to an event beyond such Party's reasonable control, such as, but not limited to, fire, natural disasters, strikes, work stoppages, accidents, wars, acts of governmental authority (including Regulatory Issues), pandemics and acts of God, provided that payment of amounts due hereunder shall in no event be excused by reason of force majeure. Any Party affected by such a force majeure event shall promptly give notice thereof to the other Party and use commercially reasonable efforts to mitigate the impact of and to overcome the effects of the force majeure event.

i. Governing Law. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of California without regard to its conflicts of laws provisions.

j. Dispute Resolution. The Parties shall negotiate in good faith to resolve any claim, dispute, or controversy that may arise in connection with this Agreement. These resolution efforts shall include at least one in-person meeting involving senior representatives of each of Licensor and Licensee having all necessary decision-making authority. If no resolution is reached within thirty (30) days of written notice delivered by either Party that a formal dispute has arisen, each Party agrees that any and all controversies, claims or disputes relating to this Agreement or the subject matter hereof shall be resolved, as the sole and exclusive remedy, through arbitration by the Judicial Arbitration & Mediation Services, Inc. ("JAMS"). The arbitrator shall have the power to award any remedies available under Applicable Law. The Parties will bear equally the administrative fees and hearing fees of JAMS and the arbitrator, provided that the arbitrator shall award reimbursement for such fees and attorneys' fees and costs to the prevailing party, except as prohibited by law. The decision of the arbitrator shall be in writing. Any arbitration under this Agreement shall be conducted in Monterey County, California. Nothing in this Agreement shall prevent either Party from seeking a temporary restraining order, preliminary injunction, or other provisional relief pending the outcome of the process covered by this provision from the courts described in this Section 13(j).

k. No Third Party Beneficiaries. Unless otherwise expressly provided, no provision of this Agreement shall give any rights, remedies, or other benefits to any person or entity other than Licensor and Licensee.

l. Entire Agreement. This Agreement (including all exhibits hereto and all purchase orders, invoices, and related documents contemplated hereby) constitutes the entire agreement and final understanding of the Parties with respect to the subject matter hereof and supersedes and terminates any and all prior and/or contemporaneous negotiations, representations, understandings, discussions, offers, and/or agreements between the Parties, whether written or verbal, express or implied, relating in any way to the subject matter hereof. This Agreement may not be amended or otherwise changed in any way except by a written instrument which specifically identifies the intended amendment or other change signed by both Licensor and Licensee. The Parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event of ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by such Parties and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, duly authorized representatives of the Parties have executed this Agreement.

LICENSOR:	**LICENSEE:**
LF BRANDCO LLC	Indus Holding Company
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Schedule 1 – Product Category and Product Name

Product List

EXHIBIT A

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This **CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT** (this "Agreement") dated as of [_____] is made by and between (i)**INDUS HOLDING COMPANY**, on behalf of itself and its affiliates (collectively "Indus"), and (ii) **LF BRANDO LLC** ("BrandCo"). Each of Indus and BrandCo may be referred to as a "Party" and, collectively, the "Parties".

WHEREAS, Indus and BrandCo have entered into a License Agreement dated October 4, 2023 pursuant to which Indus has a right of first refusal with respect to certain transactions (the "ROFR") and Licensor is obligated to deliver to Licensee a notice of any such transaction (each, a "ROFR Notice") for the purpose of evaluating the terms and conditions of a proposed transaction subject to the ROFR.

WHEREAS, BrandCo has received a bona fide offer from ☑ ("Third Party Offeror") for a transaction subject to the ROFR (the "ROFR Transaction") and BrandCo is permitted to disclose the terms and conditions of the ROFR Transaction to Indus only upon the entry by the Parties int his Agreement.

NOW THEREFORE, as a condition to receipt of a ROFR Notice with respect to the ROFR Transaction, Licensee agrees as follows:

a) **Nondisclosure of Confidential Information.** The transaction terms (including the identity of the Third Party Offeror) contained in the ROFR Notice (the "Confidential Information") will be kept confidential by Indus . However, the Confidential Information may be disclosed to the directors, officers, employees, agents, attorneys, advisors, and current and proposed lenders and other debt and equity investors (collectively, "Representatives") in connection with the exercise by Indus of its rights under the ROFR. Such Representatives shall be informed by Indus of the confidential nature of the Confidential Information and the requirement that it be maintained in confidence, and (ii) Indus shall be responsible for any breach of this Agreement by any of Indus's internal Representatives. Indus will not disclose the Confidential Information to any person other than as permitted hereby and will safeguard the Confidential Information from unauthorized disclosure. The term "person" as used in this Agreement shall be broadly interpreted to include without limitation any corporation, company, partnership or individual.

b) **Notice Preceding Compelled Disclosure**. If Indus or its Representatives are requested or required to disclose any Confidential Information, Indus will promptly notify BrandCo of such request or requirement so that BrandCo may seek an appropriate protective order to waive compliance provisions of this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, Indus or its Representatives are required to disclose the Confidential Information, Indus or such Representatives, as applicable, may disclose only such of the Confidential Information to the party seeking disclosure as is required.

c) **Exclusions from "Confidential Information".** The following will not constitute Confidential Information for purposes of this Agreement: (i) information which is or becomes generally available to the public or Indus other than as a result of a breach of this Agreement by Indus or its Representatives, (ii) information which was already known to Indus on a nonconfidential basis prior to being furnished to Indus by BrandCo, or (iii) information which becomes available to Indus on a nonconfidential basis from a source other than BrandCo.

d) **Third Party Beneficiary.** The Third Party Offeror shall be a third-party beneficiary of and entitled to enforce BrandCo's rights and Indus's covenants and obligations under this Agreement.

e) **No Waiver.** No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

f) **Remedies**. Indus agrees that any violation or threatened violation of this Agreement may cause irreparable injury to the BrandCo, entitling the BrandCo to seek injunctive relief. In such event, Indus voluntarily waives presentment of a bond and each of Indus and BrandCo submits to the exclusive jurisdiction of the state and federal courts having jurisdiction over the County of Monterey, California.

g) **Survival.** Indus's obligations under this Agreement as it relates to the Confidential Information shall survive until the second anniversary of the date hereof.

h) **Further Obligations.** Each Party hereto acknowledges and agrees that this Agreement does not obligate either Party to enter into any future agreement or relationship with respect to the ROFR Transaction or otherwise.

i) **Assignment.** Neither Party may assign this Agreement without the prior written consent of the other Party, in such Party's sole and absolute discretion, and any non-approved attempted assignment shall be null and void, provided that no such consent shall be required for an assignment in connection with a change of control or sale or other disposition of substantially all of the assets of a Party. This Agreement shall be binding upon, and inure to the benefit of the successors and permitted assigns of the Parties.

LF BRANDCO LLC

INDUS HOLDING COMPANY

Exhibit B – Packaging Specifications

EXHIBIT 99.1

Lowell Farms Inc. Announces Repurchase of $22 Million of Senior Secured Convertible Debentures

California cannabis leader repurchases all outstanding senior secured convertible indebtedness

SALINAS, Calif., Oct. 06, 2023 (GLOBE NEWSWIRE) --**Lowell Farms Inc.** (the "**Company**") (CSE: LOWL; OTCQX: LOWLF), a California-born vertically integrated cannabis company with advanced production capabilities including cultivation, extraction, manufacturing, and distribution, announced today that it has repurchased all of the $22,157,417 aggregate principal amount of outstanding Senior Secured Convertible Debentures of its subsidiary, Indus Holding Company, together with the related warrants to purchase 106,274,830 subordinate voting shares of the Company and 43,248,450 common shares of Indus.

Each holder received as the purchase price therefor, such holder's pro rata share, based on the proportion of the outstanding Debentures held by such holder, of (x) membership interests in LF Brandco LLC ("**Brandco**"), an entity formed to hold the Company's intellectual property relating to its "Lowell Smokes" and "Lowell Herb Co." brands (including trademarks, logos and additional identifying marks, domain names and social media accounts), and (y) 6,849,572 Subordinate Voting Shares, representing approximately 36% of the Company's consolidated, undiluted equity interests.

The Company has entered into a license agreement with Brandco for the "Lowell" trademarks, logos, and related intellectual property on an exclusive basis in the State of California for a five-year license term, with up to three five-year extensions. The Company's exercise of the extension terms is subject to mutual agreement on certain sales performance criteria for each extension term.

As of the closing of the Offer, the voting agreement of the Company, pursuant to which the former holders of the Debentures were entitled to nominate three out of seven members of the Company's board of directors and consent to the nomination of a fourth, and certain contractual operating covenants in favor of the former Debenture holders, has been terminated.

The Offer is considered to be a "related party transaction" pursuant to Multilateral Instrument 61-101 -*Protection of Minority Shareholders in Special Transactions* ("**MI 61-101**") of the Canadian Securities Administrators because insiders of the Company hold Debentures and Warrants. The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offer in reliance on Sections 5.5(b) and 5.7(1)(e) of MI 61-101. A material change report will be filed in connection with the closing less than 21 days in advance of the closing, which the Company deems reasonable in the circumstances so as to be able to complete the closing in an expeditious manner.

ABOUT LOWELL FARMS INC.
Lowell Farms Inc. (CSE:LOWL; OTCQX:LOWLF)(the "Company") is a California-based vertically integrated cannabis company with advanced production capabilities supporting every step of the supply chain, including cultivation, extraction, manufacturing, brand sales, marketing, and distribution. Lowell Farms grows artisan craft cannabis with a deep love and respect for the plant, and it prides itself on using sustainable materials – from seed to sale – to produce an extensive portfolio of award-winning originals, including Lowell Herb Co, Cypress Cannabis, MOON, and Kaizen Extracts, for licensed retailers statewide.

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Forward-Looking Information and Statements
This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved." The forward-looking information and forward-looking statements contained herein may include, but are not limited to, the potential exercise of extension terms pursuant to the license agreement entered into between Brandco and the Company. There can be no assurance that such forward-looking information and statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information and statements. This forward-looking information and statements reflect the Company's current beliefs and are based on information currently available to the Company and on assumptions the Company believes are reasonable.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; operating and development costs; competition; changes in legislation or regulations affecting the Company; the timing and availability of external financing on acceptable terms; the available funds of the Company and the anticipated use of such funds; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for the Company's operations; lack of qualified, skilled labor or loss of key individuals; and risks and delays resulting from the COVID-19 pandemic. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents, such as the Company's annual information form filed on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement.

The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed, or accepts responsibility for the adequacy or accuracy of, the content of this news release.

LOWELL FARMS

Source: Lowell Farms Inc.