
TOKEN SALE AGREEMENT

AGRICHAIN PTY LTD
(ACN 613 275 102)

“BLOCKGRAIN”

THIS TOKEN SALE AGREEMENT (this Agreement) is

BETWEEN **AgriChain Pty Ltd (ACN 613 275 102)** of 10 Elder Entrance, Burleigh Heads in the State of Queensland 4220 (**Seller**)

AND **THE APPLICANT (Buyer)**

RECITALS

- A. The Seller is a registered company in the State of Queensland, Australia.
- B. The Seller is the offering AGRI for sale as part of the Token Generation Event.
- C. The Seller has agreed to sell the Tokens to the Buyer, who has agreed to buy the Tokens on the terms and conditions contained in this Agreement.
- D. The Buyer and the Seller agree to be bound by the operative parts of this Agreement.

OPERATIVE PARTS

1. DEFINITIONS

In this Agreement:

- (a) **Accepted Currency** means the currencies that the Company will accept from Applicants as an Application Contribution, being BTC, ETH and XEM.
- (b) **AGRI** means the ERC20 based tokens developed by the Seller to be used on the BlockGrain Platform known as "AGRI".
- (c) **Agreement** means this Token Sale Agreement and any schedules attached hereto;
- (d) **Application** means and application to the Seller to purchase Tokens in the Token Generation Event.
- (e) **Bitcoin and BTC** is a cryptocurrency token used to interact with the Bitcoin Blockchain.
- (f) **Bitcoin Blockchain** means the public blockchain known as "Bitcoin" as more fully described at <https://bitcoin.org/bitcoin.pdf>.
- (g) **BlockGrain Platform** means the agricultural commodities software to be developed by the Seller, which will permit the use of AGRI to pay for access to that service.
- (h) **Buyer** means the Applicant, being an entity who has made an application to the Seller to purchase Tokens, and shall include any director, authorised representative, agent, successor, beneficiary, trustee or assign of the Buyer;
- (i) **Business Day** means a day that is not a Saturday, Sunday or public holiday on the Gold Coast, Queensland;
- (j) **Completion** means 10 July 2018 or such date notified by the Seller to the Buyer;
- (k) **Disclosure Document** means the disclosure document prepared by the Seller for the purpose of fully informing users titled "BlockGrain Disclosure Document", as released on the Website.
- (l) **Ether / ETH** means a cryptographic token used to interact with the Ethereum Blockchain known as "Ether".
- (m) **Excluded Country** means the United States of America, the People's Republic of China, the Republic of Korea (South Korea) and the Socialist Republic of Vietnam.
- (n) **Hard Cap** means the maximum amount of AGRI to be in existence at any time, being 1,000,000,000 AGRI.

- (o) **Intellectual Property Rights** means the current and future, registered and unregistered, rights comprised in any patent, copyright, design, trade mark, eligible layout or similar right whether at common law or conferred by statute, rights to apply for registration under a statute in respect of those or like rights and rights to protect confidential information (including trade secrets and know-how) throughout the world for full period of rights and all renewals and extensions thereto in respect of the BlockGrain Platform.
- (p) **NEM Blockchain** means the public blockchain known as “NEM” as more fully described at https://nem.io/wp-content/themes/nem/files/NEM_techRef.pdf.
- (q) **Nominated Address** means the address nominated by the Company for the Applicant to deposit the Required Contribution.
- (r) **Privacy Policy** means the BlockGrain Privacy Policy located on the Website.
- (s) **Purchase amount** means the number of Tokens nominated for purchase by the Buyer.
- (t) **Purchase Price** means the amount of Accepted Currency specified in the BlockGrain Disclosure Document for each AGRI.
- (u) **Required Contribution** means the quantity of Accepted Currency, greater than or equal to 0.5 Ether (or an amount of BTC or XEM which is equal to or more than the value of 0.5 ETH in USD on the date that the tokens are transferred to the Seller), which is required to be transferred to the Seller by the Buyer, equal to Purchase Price multiple by the Purchase Amount.
- (v) **Schedule** means a Schedule to this Agreement;
- (w) **Seller** means the Seller as described on page 2 of this Agreement, and shall include any agent, successor, beneficiary, trustee or assign of the Seller; and
- (x) **Settlement Date** means the date that the Seller shall receive the balance of the Purchase Price in cleared funds.
- (y) **Token Generation Event** means the period during which an Applicant can apply to purchase Tokens from the Seller under the Terms of this Agreement.
- (z) **Tokens** means the cryptographic tokens known as “AGRI”.
- (aa) **Website** means www.blockgrain.com.au.
- (bb) **Whitepaper** means the electronic whitepaper written by the Seller which describes the Tokens and the BlockGrain platform found on the website.
- (cc) **XEM** is a cryptocurrency token used to interact with the NEM Blockchain.

2. INTERPRETATION

In the interpretation of this Agreement:

- (a) each of the parties hereto may be referred to individually as a “party”, and collectively as the “parties”;
- (b) references to legislation or provisions of legislation include changes or re-enactments of the legislation and statutory instruments and regulations issued under the legislation;
- (c) words denoting the singular include the plural and vice versa, words denoting individuals or persons include bodies corporate and vice versa, references to documents or agreements also mean those documents or agreements as changed, novated or replaced, and words denoting one gender include all genders;
- (d) grammatical forms of defined words or phrases have corresponding meanings;
- (e) the parties must perform their obligations on the dates and times fixed by reference to the Gold Coast, Queensland;
- (f) reference to an amount of money is a reference to Australian Dollars;

- (g) if the day on or by which anything is to be done is a Saturday, a Sunday or a public holiday in the place in which it is to be done, then it must be done on the next Business Day;
- (h) references to a party are intended to bind their executors, administrators and permitted transferees; and
- (i) obligations under this Agreement affecting more than one party bind them jointly and each of them severally.

3. APPLICATION PROCESS

- (a) The Buyer agrees to provide the Seller with all necessary information or documentation, as the Seller requests from time to time, in order to allow the Seller to comply with its obligations under Australian Law, including but not limited to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).
- (b) For the avoidance of doubt, this clause requires the Buyer to complete a Know Your Customer check at the time an application is made, and may further verification at a later point in time.
- (c) The Parties agree as follows:
 - (i) the Buyer must complete the Application Form set out on the Company's Website and submit it to the Company electronically using the submission form on the Company's website during the Registration Period for Stage 1;
 - (ii) once the Seller has evaluated the Application, it will make a determination about whether the Applicant has satisfied the requirements of the Token Sale Agreement;
 - (iii) if the Seller determines that the Buyer has satisfied the requirements of the Token Sale Agreement, it will add the Buyer's wallet address to the whitelist for the Smart Contract for the Token Generation Event and notify the Buyer that their Application was successful;
 - (iv) if the Seller determines that the Buyer has not satisfied the requirements of the Token Sale Agreement, it will notify the Buyer of the nature of the deficiency in the Application and provide instructions on how to rectify the deficiency in the Application;
 - (v) the Buyer will have until the expiry of the Registration Period to rectify the deficiency in the Application. If the Buyer fails to rectify the deficiency in the Application within the nominated time period, the Application will automatically lapse on the expiry of that time period;
 - (vi) on the Sale Start Date, the Seller will provide each Buyer who made a success Application with the address for the Nominated Address;
 - (vii) the Buyer must deposit their Required Contribution into the Nominated Address before the Sale Closing Date; and
 - (viii) the Seller must transfer the Purchase Amount to the Buyer at Completion, subject to the terms of this Agreement.
- (d) The Parties agree that the Buyer must deposit their Required Contribution from a Private Wallet. The Seller will not accept Required Contributions from a wallet operated by a cryptocurrency exchange.
- (e) If the Buyer's Application lapses, then the Parties agree that this Agreement will automatically terminate at that time.

4. CONDITIONS PRECEDENT

- (a) Completion of the Agreement will be subject to:
 - (i) The successful development of AGRI and the BlockGrain Platform by the Seller;
 - (ii) The Buyer complying with its obligations under this Agreement; and

- (iii) The AGRI not being deemed to be a security, managed investment scheme, financial product or derivative in the User's jurisdiction between the execution date and Completion.

5. BUYER'S OBLIGATIONS

- (a) The Buyer agrees to:
 - (i) provide the Seller with all information necessary for the Seller to evaluate the Buyer's Application to purchase the Tokens;
 - (ii) pay the Required Contribution to the Seller for the Tokens;
 - (iii) do all things necessary to carry out this Agreement; and
 - (iv) otherwise comply with the terms of this Agreement.

6. SELLER'S OBLIGATIONS

- (a) The Seller agrees to do all things necessary to transfer ownership of the Purchase Amount to the Buyer on Completion.
- (b) The Seller covenants to give the Buyer unencumbered legal title to the Tokens.

7. RIGHT TO REFUSE TRANSFER

- (a) The Parties agree that the Seller shall have the express right to refuse to transfer the AGRI to the Buyer, wholly or in part.
- (b) The Seller may refuse to transfer AGRI to the Buyer in whole or in part if a successful transfer of the AGRI would result in the total amount of AGRI in existence being more than the Hard Cap.
- (c) If the Seller refuses to transfer the AGRI and terminate this Agreement, the Seller must refund the Required Contribution to the Buyer on a pro-rata basis for the amount of AGRI that the Seller has refused to transfer.
- (d) The Parties agree that the Seller may elect to modify the Hard Cap for any reason at any time.
- (e) The Parties expressly agree that a refusal to transfer AGRI under this clause of this Agreement does not constitute a breach of this Agreement.
- (f) If the Seller exercises its right to refuse to transfer the AGRI to the Buyer under clause 7(a) or 7(b) of this Agreement, the Seller may also elect to immediately terminate this Agreement.

8. COMPLETION

- (a) Completion of the sale and purchase of the Tokens shall take place on Completion.
- (b) Notwithstanding any other provisions in this agreement, the Parties agree that the Seller has the discretionary right to amend the date of Completion by providing the Buyer with written notice of the amended date of Completion.
- (c) For the avoidance of doubt, the Seller's right under clause 8(b) is not an exhaustible right and may be exercised as many times as the Seller deems necessary.

9. INTELLECTUAL PROPERTY RIGHTS

- (a) The Seller is the beneficial owner of the Intellectual Property Rights.
- (b) The Parties agree that this Agreement does not grant any rights, interests or licences in the Intellectual Property Rights, except for the right to use the BlockGrain Platform as expressly provided in the Deed Poll contained in Schedule 1.

10. WARRANTIES

- (a) The Buyer warrants that:

- (i) they are not a resident of an Excluded Country;
 - (ii) they have not relied on, or have been induced into entering this agreement by, any written or verbal statements or representations made by the Seller, its directors, employees, contractors, agents, authorised representatives or advisors;
 - (iii) they have read, understood and accept the terms of:
 - (1) this Agreement;
 - (2) the Whitepaper;
 - (3) the Disclosure Document; and
 - (4) the Privacy Policy;
 - (iv) they have the right to enter into and perform this Agreement;
 - (v) they will not adding any rights under this Agreement to any other person prior to Completion;
 - (vi) they have sought legal, financial and taxation advice on the consequences of entering into this Agreement and are entering into this Agreement in reliance on that independent advice;
 - (vii) they are have sought legal advice on whether it is legal to purchase or own the Tokens in their jurisdiction, and are not knowingly entering into this Agreement with knowledge that doing so cause either party to breach any laws in their jurisdiction;
 - (viii) they acknowledge that the Tokens are not a “Financial Product” in the Commonwealth of Australia and that the Seller does not hold and Australian Financial Services Licence;
 - (ix) they acknowledged that the Tokens are not a security, and that the offer or issue of the Tokens in the Token Generation Event is not registered with or regulated by any regulatory body, including but not limited to the Australian Securities and Investment Commission (**ASIC**);
 - (x) they agree that once the Tokens have been transferred to the Buyer, the Seller will have no capacity to influence the ownership of the Tokens and, accordingly, the Buyer will assume all responsibility and risk for the Tokens;
 - (xi) they acknowledge and agree that the Tokens are not goods of a kind ordinarily acquired for personal, domestic or household use or consumption and they are not acquiring the Tokens as a “Consumer”, as defined in section 3 of Schedule 2 of the *Competition and Consumer Act 2010* (Cth);
 - (xii) they agree that the Seller bears no liability for the any loss caused by the Buyer losing access to the Tokens through the loss of their private key for their wallet, and that the Seller will not have any capacity to assist with the recovery of the Buyer’s private key;
 - (xiii) they have conducted their own inquiries into the Seller and the BlockGrain Platform and are not relying solely on the contents of the Whitepaper and the Disclosure Document; and
 - (xiv) they have prior experience and knowledge in the ownership of cryptocurrency and cryptographic tokens, which they have relied upon to make an informed decision about the merits and risks of applying for, holding or transferring the Tokens.
- (b) The Seller warrants that:
- (i) it has the right to enter into and perform its obligations under this Agreement;
 - (ii) subject to the terms of this Agreement, it holds, or will hold, the Tokens free of any lien, charge or other encumbrance;

- (iii) it has validly executed the Deed Poll contained in Schedule 1 of this Agreement, a copy of which is, or shall be, available in an electronic form through the website; and
- (iv) it has sought legal, financial and taxation advice and, to the best of its knowledge, has complied with its obligations under Australian Law, including but not limited to its obligations under the *Corporations Act 2001* (Cth).

11. BREACH

- (a) For the purposes of this Agreement, a “default” includes:
 - (i) a Party being insolvent; and/or
 - (ii) a Party breaching a term of this Agreement.
- (b) In the event of default, the Party alleging the default must provide the defaulting Party with written notice of the default.
- (c) If the Party alleging the default has issued the Party who committed the breach with written notice of the default, and the party who committed the breach has failed to rectify the default within seven (7) days, the Party alleging the default is entitled to terminate this Agreement immediately.

12. METHOD OF PAYMENT

- (a) Each payment to be made under this Agreement by the Buyer must be made by electronic transfer of an Accepted Currency to a Wallet nominated by the Seller, on or before the relevant due date, without any setoff, counterclaim or deduction for or on account of any income or other taxes, imposts, deductions or other withholdings of any kind.
- (b) For the avoidance of doubt, the Seller may agree (in writing) to accept payment in an alternative method.

13. ASSIGNMENT

This Agreement is personal to the parties and cannot be transferred, assigned, charged or otherwise dealt with.

14. NOTICES

A communication required by this Agreement, by a party to the other party, must be in writing and may be given to them by being:

- (a) delivered personally; or
- (b) sent by email to their email address, when it will be treated as received when it enters the recipient's information system.

15. WAIVER

A waiver by a Party of any right hereunder shall only be effective if provided in writing by the Party. Failure by the Party to condone the delay or failure to comply with any of the terms or conditions of this Agreement shall not be deemed a waiver of the right to do so and shall not affect the Party's ability to exercise such right or pursue its remedies hereunder in respect of such delay or failure as and when the Party sees fit.

16. RELATIONSHIP BETWEEN THE PARTIES

The Parties agreed that this Agreement only creates the contractual relationship of Vendor and Purchaser, and does not create a relationship of trust, agency or partnership. For the avoidance of doubt, the Parties expressly acknowledge and agree that the Seller will not owe any fiduciary obligations to the Buyer.

17. LIMITATION OF LIABILITY

- (a) To the extent permitted by law:

- (i) all terms, conditions, warranties and representations, whether express or implied, written or oral, collateral, statutory, which are not expressly included in the written terms of this agreement are excluded by the Parties; and
 - (ii) the Buyer waives all rights to make a claim under or in connection with this agreement unless it is solely based on and limited to the express provisions of this Agreement.
- (b) The Parties agree that the Seller will have no liability to the Buyer, however arising, in respect of any special, indirect or consequential damages, loss of profit or loss of business opportunity arising out of or connection with this Agreement.
 - (c) To the extent permitted by law, the maximum total liability of the Seller to the Buyer for loss or damage of any kind, however caused, due to the Seller's negligence, breach of contract, breach of any law, in equity, under indemnities or otherwise, arising out of all acts, omissions and events whenever occurring, is not to exceed in aggregate the value of the Required Contribution in Australian Dollars as at the time the Buyer placed an order with the Seller for the issue of Tokens. The remedy available to the Buyer for a non-excluded breach of this Agreement will be limited to damages.
 - (d) The Seller takes no responsibility for the potentially irretrievable transfer of Tokens to third parties or otherwise unreachable wallets as a result of the Buyer error in transferring from a wallet which is linked to an exchange or any other service to which the Buyer does not hold the private key to the wallet.

18. ENTIRE AGREEMENT

This Agreement, including the Schedule, contains the entire agreement between the parties and no representations, inducements, promises or agreements, oral or otherwise, not embodied herein shall have any force or effect other than as expressly provided in this Agreement or subsequent to the date hereof in writing and signed by a proper and duly authorised representative of the party to be bound thereby.

19. VARIATION

The Parties may agree to amend this Agreement, including any schedule or annexure to this Agreement, by agreement in writing.

20. SEVERANCE

- (a) In the event that any provision of this Agreement is deemed invalid, illegal or unlawful, or is otherwise incapable of enforcement, all other provisions of this Agreement shall nevertheless prevail and remain in full force and effect.
- (b) If a provision of this Agreement can be interpreted in two ways, and only one of those interpretations would result in the provision being deemed invalid, illegal, unlawful or otherwise incapable of enforcement, then the provision must be interpreted in the way which would not result in it to being deemed to be invalid, illegal, unlawful or otherwise incapable of enforcement.

21. PRIVACY

- (a) The Seller collects, holds and uses personal information of Buyers pursuant to the Privacy Policy in order to service their needs as Buyers, provide facilities and services that they request or that are connected with their interests in AGRI and carry out appropriate administration.
- (b) The information may also be used from time to time and disclosed to persons including regulatory bodies, including AUSTRAC, the Australian Taxation Office, as well as print service providers and mail houses.
- (c) A Buyer may request access, correct and update his or her personal information held by the Company, by sending an email to support@blockgrain.com.au.

- (d) Collection, maintenance and disclosure of certain personal information is governed by legislation including but not limited to:
- (i) the *Privacy Act 1988* (Cth); and
 - (ii) the *Corporations Act 2001* (Cth).

22. FORCE MAJEURE

No Party hereto will be liable nor deemed to be liable to the other party for failure or delay in meeting any obligation hereunder due to strikes and/or lockouts (whether of their own employees or those of others and whether or not the party against whom such action is taken could have avoided the same by acceding to the demands of the employees responsible for such action) Acts of God war fire flood embargo litigation acts of government or any agency instrumentality or any political subdivision thereof or any other cause beyond the control of the party which had the duty to perform. In any such event, the time for performance of the obligations under this Agreement will be extended by the same period or periods (as the case may be) for which performance is delayed. The party so affected will use its best endeavours to avoid or remove such causes of nonperformance and will continue performance hereunder with the utmost despatch as soon as such causes are removed provided that nothing in this clause will be construed as requiring the affected party to settle any industrial dispute.

23. CONFIDENTIALITY

This parties are obligated to keep confidential any information received as part of the negotiations concerning, and the conclusion of, this Agreement, including without limitation the terms of this Agreement. This clause survives termination of this Agreement.

24. COUNTERPARTS

This Agreement may be executed in any number of counterparts each of which will be an original but such counterparts together will constitute one and the same instrument and the Commencement Date of the Agreement will be the date on which it is executed by the last party. The Parties agree that each counterpart may be exchanged electronically.

25. JURISDICTION

This Agreement is governed by the laws of Queensland, and the parties submit to the non-exclusive jurisdiction of the Courts of Queensland and the Commonwealth of Australia.

26. COSTS

Each party will pay their own costs in relation to the drafting and execution of this Agreement.

27. INDEPENDENT LEGAL ADVICE

The Parties acknowledge they have read and understood the terms of this Agreement and that they have had the opportunity to obtain independent legal advice in relation to its effects.

SCHEDULE 1 – DEED POLL

PARTIES

This Deed Poll is made by the Company in favour of any person who holds an AGRI, or fraction thereof, at the time the BlockGrain Platform is fully developed and implemented.

This Deed Poll provides as follows:

1. DEFINITIONS

In this Deed Poll:

- (a) **BlockGrain Platform** means the marketplace to be developed by the Company, which will permit the use of AGRI to transact in that marketplace;
- (b) **AGRI** means the ERC20-based tokens developed by the Company to be used on the BlockGrain Platform known as “AGRI”;
- (c) **Company** means AgriChain Pty Ltd (ACN 613 275 102) of 10 Elder Entrance, Burleigh Heads in the State of Queensland 4220;
- (d) **User** means an entity holding AGRI;
- (e) **Website** means www.blockgrain.com.au

2. NATURE OF DEED POLL

This Deed Poll may be relied upon and enforced by any person who legally holds AGRI(s), or fraction of an AGRI.

3. CONDITIONS TO OBLIGATIONS

- 3.1. The obligations under this Deed Poll are conditional upon to the successful development and implementation of the BlockGrain Platform, and for the issue and use of AGRIs not to be ruled a security, managed investment scheme or otherwise being deemed illegal to be issued, to hold or to use and on the BlockGrain Platform being available online for AGRI holders to access.
- 3.2. This Deed Poll will automatically terminate if:
 - (a) the BlockGrain Platform is not developed by completion date of the Token Sale Agreement; or
 - (b) the Company decides to discontinue the development of the BlockGrain Platform; or
 - (c) a User is in breach of their license obligations under this Deed Poll.
- 3.3. If this Deed Poll is terminated in accordance with clause 3.2 then:
 - (a) the Company is released from any further obligations under the Deed Poll; and
 - (b) each User retains the rights they have against the Company in respect of any breach of this Deed Poll which occurred before its termination.

4. OBLIGATIONS UNDER THIS DEED POLL

4.1. This Deed Poll will oblige the Company to:

(a) provide the User with a licence to access and use the BlockGrain Platform, subject to the User having sufficient access to their own computer equipment to access the internet and the BlockGrain Platform; and

(b) ensure that the User can enjoy the full benefit of owning AGRIs and the access to the BlockGrain Platform provided by that ownership.

4.2. The license granted under this Deed is transferrable but conditional upon the User not using the AGRIs in any manner that could damage, disable, overburden, or impair the BlockGrain User Interface, or BlockGrain Platform or otherwise interfere with the Company or any other User's use and enjoyment of the BlockGrain User Interface and the BlockGrain Platform.

4.3. The User may not obtain or attempt to obtain any materials or information through any means not intentionally made available or provided for by the Company through the BlockGrain User Interface, the BlockGrain Platform and/or AGRIs and/or other services provided thereto.

5. WARRANTIES

The Company represents and warrants that:

(a) it is a corporation validly existing under the laws of Australia;

(b) it has the power to enter into and perform its obligations under this Deed Poll;

(c) it has taken all reasonable and necessary action, or will take all reasonable and necessary action to authorise the performance of this Deed Poll;

(d) this Deed Poll is binding on it and enforceable against it in accordance with the terms; and

(e) performance of this Deed Poll will not constitute a breach of the Corporations Act, subject to any determination from any regulatory body in Australia to the contrary after the date this Deed Poll enters into force.

6. CONTINUING OBLIGATIONS

This Deed Poll is irrevocable and subject to clause 3, will continue until:

(a) the Company has performed all of its obligations under the Deed Poll; or

(b) the Deed Poll is terminated under clause 3.

7. GOVERNING LAW

7.1. This Deed Poll is governed by the laws of the State of Queensland.

7.2. The parties irrevocably submit to the exclusive jurisdiction of the Courts of Queensland.

7.3. No party may object to the jurisdiction of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

8. AMENDMENT

8.1. This Deed Poll may only be amended via the effect of an amending Deed Poll executed by the Company and published on the Website.

8.2. This Deed Poll may not be amended to prevent a person holding AGRIs from accessing the BlockGrain Platform.

9. ASSIGNMENT

A User may only assign its rights or obligations under this Deed Poll with the written consent of the Company.

10. FURTHER ACTION

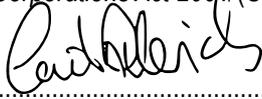
Each party must do everything necessary to carry out this Deed Poll, including without limitation:

(a) executing documents; and

(b)ensuring its employees and agents perform their obligations.

EXECUTION

Executed as a Deed Poll by AgriChain Pty Ltd (ACN 604 144 989) pursuant to section 127 of the Corporations Act 2001 (Cth) on 26 April 2018



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CAILE DITTERICH, Sole Director