

FORM 9

NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES **(or securities convertible or exchangeable into listed securities¹)**

Please complete the following:

Name of CNSX Issuer: **Nutritional High International Inc. (the "Issuer")**.

Trading Symbol: **NHII**.

Date: **March 14, 2018**.

Is this an updating or amending Notice: ☐ Yes ☒ No

If yes provide date(s) of prior Notices: _____.

Issued and Outstanding Securities of Issuer Prior to Issuance: **278,415,280**

Date of News Release Announcing Private Placement: **November 28, 2017**.

Closing Market Price on Day Preceding the Issuance of the News Release: **\$0.24**

1. Private Placement (if shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition), proceed to Part 2 of this form)

Full Name & Residential Address of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)

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(1) Indicate date each placee advanced or is expected to advance payment for securities. Provide details of expected payment date, conditions to release of funds etc. Indicate if the placement funds been placed in trust pending receipt of all necessary approvals.

(2) Indicate if Related Person.

¹An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

1. Total amount of funds to be raised: _____ .

2. Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material.

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer:

4. If securities are issued in forgiveness of indebtedness, provide details and attach the debt agreement(s) or other documentation evidencing the debt and the agreement to exchange the debt for securities.

5. Description of securities to be issued:

(a) Class

(b) Number.

(c) Price per security .

(d) Voting rights

6. Provide the following information if Warrants, (options) or other convertible securities are to be issued:

(a) Number _____ .

(b) Number of securities eligible to be purchased on exercise of Warrants (or options) _____

_____ .

(c) Exercise price _____ .

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- (d) Expiry date _____ .
7. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount _____ .
- (b) Maturity date _____ .
- (c) Interest rate _____ .
- (d) Conversion terms _____ .
- (e) Default provisions _____ .
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): ____ .
- (b) Cash _____ .
- (c) Securities _____ .
- (d) Other _____ .
- (e) Expiry date of any options, warrants etc. _____ .
- (f) Exercise price of any options, warrants etc. _____ .
9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship
10. Describe any unusual particulars of the transaction (i.e. tax "flow through" shares, etc.).
11. State whether the private placement will result in a change of control.
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. _____

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13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by Multilateral Instrument 45-102.

2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

The assets (the "Assets") to be acquired by the Issuer are located in California and consist of:

- (i) **Net Working Capital;**
- (ii) **Inventory;**
- (iii) **All equipment, machinery, furniture, and motor vehicles;**
- (iv) **All real property, and all buildings, fixtures and improvement
thereon;**
- (v) **All software programs and software code;**
- (vi) **All Intellectual Property Rights exercisable or available in any
jurisdiction of the world, and the exclusive right for Buyer to hold itself out to be
the successor to the business of Selling Parties;**
- (vii) **All licenses to assets and properties of third parties (including
licenses with respect to Intellectual Property Rights owned by third parties); and**
- (viii) **All Entitlements, permits, licenses, agreements, waivers, and
authorizations from, issued, or granted by any Governmental Authority or in the
application process.**

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2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material:
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On February 8, 2018, the Issuer entered into an agreement for purchase and sale of assets (the "Agreement") with Calyx Brands, Inc. a Delaware corporation and Calyx Distribution a California non-profit mutual benefit corporation, collectively referred to as the "Vendor". The parties to the Agreement are at arm's length.

3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:

Foreign exchange rate (March 13th , 2018) = 1.2912 (USD:CDN)

- (a) Total aggregate consideration in Canadian dollars:

CDN \$2,388,720 (USD \$1,850,000).

- (b) Cash: **USD \$500,000 (CDN \$645,600), of which a deposit of USD \$100,000 (CDN \$129,120) was paid.**

- (c) Securities (including options, warrants etc.) and dollar value: **2,025,412 common shares of the Issuer issued at a price of CDN \$0.255 having an aggregate value of US\$400,000 (CDN \$516,480).**

- (d) Other:

- (i) **The Issuer will issue to the Vendor on the closing ("Closing") of the Agreement a secured convertible promissory note (the "Note") in the principal amount of USD \$950,000 (CDN \$1,226,640). The Note will be non-interest bearing and shall be repayable 6 months from the date of issuance (the "Maturity Date"). The Vendor may, at its option, elect to covert the principal amount owing under the Note at any time prior to the Maturity Date into common shares of the Issuer at a conversion price equal to CDN \$0.255 per share.**

- (ii) **In accordance with an earn-out agreement (the "Earn-out Agreement") to be entered into between the Issuer and the Vendors of the Closing, the Vendors' shareholders are eligible to receive additional consideration of up to USD \$600,000 (CDN \$774,720), subject to achieving certain annual gross revenue targets for the two year period commencing after the Closing, comprised of 50% in the form of cash and 50% in the form of the Issuer's common shares (the "Earn-Out Shares"), at a price equal to the volume weighted average price of the**

Issuer's common shares for the prior ten trading days prior to the date the Earn-Out Shares are eligible to be received.

- (e) Expiry date of options, warrants, etc. if any: **N/A.**
- (f) Exercise price of options, warrants, etc. if any: **N/A.**
- (g) Work commitments: **For a period of one year following the Closing, the Issuer shall fund the Vendor with: (i) USD \$800,000 in working capital, of which US\$ 259,000 has been paid; and (ii) secure debt-financing for the Vendor in an amount of up to USD \$2,000,000.**

4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).

Arm's Length

5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer:

_____ .

6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾
Calyx Brands, Inc.	Shares	\$0.255	N/A	Accredited Investor	2,025,412 common shares	Arm's Length

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: **The Issuer has engaged legal counsel to conduct due diligence investigations in respect of the Assets to be acquired under the Agreement.**

8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): **Bowman Hanson 1592 Union Street, Suite #325, San Francisco, CA 94123.**
 - (b) Cash **USD \$92,500 (CDN \$119,436)**
 - (c) Securities **N/A.**
 - (d) Other **N/A.**
 - (e) Expiry date of any options, warrants etc. **N/A.**
 - (f) Exercise price of any options, warrants etc. **N/A.**
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. **No**
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. **No.**

Certificate Of Compliance

The undersigned hereby certifies that:

- 1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
- 2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
- 3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
- 4. All of the information in this Form 9 Notice of Private Placement is true.

Dated March 14, 2018.

ADAM K. SZWERAS
Name of Director or Senior
Officer

(signed) "Adam Szweras"

Signature

DIRECTOR & CORPORATE
SECRETARY

Official Capacity