

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)

Name of Listed Issuer: **Isracann Biosciences Inc.** (the "Issuer").

Trading Symbol: **IPOT**

Issued and Outstanding Securities of the Issuer Prior to Transaction: **125,077,281**

Date of News Release Fully Disclosing the Transaction: **February 27, 2020**

1. Transaction

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

The Issuer entered into an agreement on January 10, 2020 with CDMG Inc. ("CDMG"), an advertising agency which provides integrated marketing solutions including direct mail, digital marketing, video, TV and radio. The Issuer has requested to pay CDMG on an initial marketing budget, the sum of US\$824,000 (the "Budget") to design and implement an advertising campaign to increase public awareness of the Issuer.

The Issuer also entered into an agreement on January 16, 2020 with Promethean Marketing ("Promethean"), an advertising agency which provides services such as newsletter campaign and an additional digital media. The Issuer has paid Promethean USD \$200,000

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
 - (a) Total aggregate consideration in Canadian dollars: **C\$1,351,680¹ (equivalent to US\$1,024,000).**
 - (b) **C\$1,351,680¹ (equivalent to US\$1,024,000).**

(c) Other: N/A

(d) Work commitments: N/A

¹ Based on exchange rate of US\$1.00 = C\$1.32 as of January 29, 2020

3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).

The considerations were determined via arm's length negotiation between the Issuer and the service providers noted above

4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: N/A

5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: N/A

6. 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 transaction (including warrants, options, etc.): N/A

(a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (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) Other _____.

7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A

8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

2. Development

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: N/A

3. 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.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to the Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated: February 27, 2020

Darryl Jones
Name of Director or Senior
Officer

"Darryl Jones"
Signature

President & CEO
Official Capacity