



BLUMA WELLNESS INC.

CSE FORM 2A

LISTING STATEMENT

June 11, 2020

Bluma Wellness Inc. (“**Bluma**”) derives a substantial portion of its consolidated revenues from the medical cannabis industry in the State of Florida, where local state laws permit such industry but is illegal under United States federal law. Bluma is directly engaged in the manufacture, possession, use, sale and distribution of medical cannabis in the State of Florida. Third party service providers could suspend or withdraw services and regulatory bodies couple impose certain restrictions on Bluma as a result of Bluma’s operating in an industry that is illegal under U.S. federal law.

The United States federal government regulates drugs through the Controlled Substances Act (the “**CSA**”) (21 U.S.C. § 811), which places controlled substances, including cannabis, in a schedule. Cannabis is classified as a Schedule I controlled substance. Under United States federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of accepted safety for the use of the drug under medical supervision. The CSA explicitly prohibits the manufacturing, distribution, selling and possession of cannabis and cannabis derived products as a consequence of its Schedule I classification. The United States Food and Drug Administration has not approved marijuana as a safe and effective drug for any indication.

In the United States, cannabis is largely regulated at the state level. State laws that permit and regulate the production, distribution and use of cannabis for medical or recreational purposes are in direct conflict with the federal CSA, which makes cannabis use and possession federally illegal. Although certain states and territories of the U.S. authorize medical or recreational production and distribution by licensed or registered entities, under U.S. federal law, the possession, use, cultivation and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts under federal law. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply. Although Bluma’s activities are believed to be compliant with state and local laws, strict compliance with state and local laws with respect to cannabis may not absolve Bluma of liability under U.S. federal law, nor may it provide a defense to any federal proceeding which may be brought against it. See “*Section 3.3 – Trends, Commitments, Events or Uncertainties – Regulation of Cannabis in the United States Federally*” and “*Section 17 – Risk Factors – Risks Related to the Legality of Cannabis in the United States*” for additional information on this risk.

On January 4, 2018, then-U.S. Attorney General Jeff Sessions issued a one-page memorandum to U.S. attorneys with the Offices of the United States Attorneys (the “**Sessions Memorandum**”), which rescinded previous guidance from the U.S. Department of Justice specific to cannabis enforcement in the United States, including the Cole Memorandum (as defined in *Section 3.3 – Trends, Commitments, Events or Uncertainties – Regulation of Cannabis in the United States Federally* of this Listing Statement). The Sessions Memorandum stated, in part, that current law reflects “Congress’ determination that cannabis is a dangerous drug and cannabis activity is a serious crime”, and Mr. Sessions directed all U.S. Attorneys to enforce the laws enacted by Congress by following well-established principles when pursuing prosecutions related to cannabis activities. As a result of the Sessions Memorandum, federal prosecutors are now free to utilize their investigative and prosecutorial discretion to decide whether to prosecute cannabis activities despite the existence of state-level laws that may be inconsistent with federal prohibitions. The Sessions Memorandum provided no direction to federal prosecutors as to the priority they should ascribe to cannabis activities, and as a result, it is uncertain how active U.S. federal prosecutors will be in relation to such activities. There can be no assurance that the federal government will not enforce federal laws relating to cannabis in the future.

Attorney General Sessions resigned on November 7, 2018. On February 14, 2019, William Barr was confirmed as U.S. Attorney General. The impact of the appointment of Attorney General Barr on U.S. federal government enforcement policy is unclear, however at his confirmation hearing, Attorney General Barr suggested that the United States Department of Justice would not prosecute state compliant marijuana activity. However, Attorney General Barr has left the Sessions Memorandum in place as policy.

If the Department of Justice policy under Attorney General William Barr was to aggressively pursue financiers or equity owners of cannabis-related business, and the United States Attorneys followed such Department of Justice policies by pursuing prosecutions, then Bluma could face (i) seizure of its cash and other assets used to support or derived from its cannabis activities, (ii) the arrest of its employees, directors, officers, managers and investors, and charges of ancillary criminal violations of the CSA for aiding and abetting and conspiring to violate the CSA, and/or (iii) barring employees, directors, officers, managers and investors who are not U.S. citizens from entry into the United States for life.

There is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Unless and until the United States Congress amends the CSA with respect to medical and/or recreational cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law. If the federal government begins to enforce federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing applicable state laws are repealed or curtailed, Bluma's business, results of operations, financial condition and prospects would be materially adversely affected. See *Section 17 – Risk Factors – Risks Related to the Legality of Cannabis in the United States* of this Listing Statement for additional information on this risk.

In light of the political and regulatory uncertainty surrounding the treatment of U.S. marijuana-related activities, including the rescission of the Cole Memorandum discussed above, on February 8, 2018, the Canadian Securities Administrators published Staff Notice 51-352 – *Issuers with U.S. Marijuana-Related Activities* (“**Staff Notice 51-352**”), as amended, setting out the Canadian Securities Administrators' disclosure expectations for specific risks facing issuers with direct, indirect or ancillary involvement in activities including the cultivation, possession or distribution of marijuana in the United States (“**U.S. Marijuana-Related Activities**”). Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. Marijuana-Related Activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. Marijuana-Related Activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry.

See *Section 3.3 – Trends, Commitments, Events or Uncertainties – Regulation of Cannabis in the United States Federally* and *Section 17 – Risk Factors – Risks Related to the Legality of Cannabis in the United States* and *General Regulatory and Legal Risks* of this Listing Statement for further information of the material facts, risks and uncertainties related to U.S. Marijuana-Related Activities.

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1. GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Listing Statement. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

“**3 Boys**” means 3 Boys Farm, LLC, doing business as “One Plant Florida”, an indirect wholly-owned subsidiary of the Resulting Issuer following completion of the RTO Transaction.

“**ABCA**” means the *Business Corporations Act* (Alberta), as may be amended from time to time.

“**AFC**” means AFC Warehouse, LLC.

“**Affiliate**” means a corporation that is affiliated with another corporation as described below. A corporation is an “**Affiliate**” of another corporation if:

- (a) one of them is a subsidiary of the other; or
- (b) each of them is Controlled by the same Person.

“**Amalco**” means the corporation resulting from the Amalgamation of the Amalgamating Corporations, to be named “CannCure Investments Inc.”.

“**Amalco Shares**” means the common shares in the capital of Amalco.

“**Amalgamating Corporations**” means CannCure and Subco.

“**Amalgamation**” means the amalgamation of the Amalgamating Corporations under the provisions of the OBCA on the terms set forth in the Business Combination Agreement and an amalgamation agreement dated June 11, 2020, between CannCure, Goldstream and Subco.

“**Amended and Restated Share Purchase Agreement**” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“**APB**” means American Patriot Brands, Inc.

“**Articles**” means the articles of the Resulting Issuer.

“**Associate**” means, when used to indicate a relationship with a Person:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to the outstanding securities of the issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity; or
- (d) in the case of a Person who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or of his spouse who has the same residence as that Person.

"Audit Committee" means the audit committee of the Resulting Issuer Board.

"BCA Lock-Up" has the meaning set out in *Section 11 – Escrowed Securities*.

"BCBCA" means the *Business Corporations Act* (British Columbia), as may be amended from time to time.

"Bridge Loan" has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Construction*.

"Business Combination" means the series of transactions, as detailed in the Business Combination Agreement, through which the businesses of Goldstream and CannCure will be combined, including the Concurrent Financing, the Consolidation, the Amalgamation, the Director Elections, the Continuance, the Delisting and the Name Change.

"Business Combination Agreement" means the business combination agreement between Goldstream, CannCure and Subco, dated as of February 20, 2020, as may be amended from time to time.

"Cannabis Cures Investments LLC" means Cannabis Cures Investments, LLC, a limited liability company existing under the laws of the State of Florida that is a wholly-owned subsidiary of the Resulting Issuer following completion of the RTO Transaction.

"CannCure" means, prior to giving effect to the RTO Transaction, CannCure Investments Inc., a corporation incorporated and existing under the OBCA.

"CannCure Amended and Restated Debentures" means the Non-Convertible Debentures as amended and restated pursuant to the terms of the Letter Agreement.

"CannCure Consideration Warrants" has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

"CannCure Convertible Debentures" means the 12.50% unsecured, convertible debentures in the principal amount of \$16,711,000 issued by CannCure, the terms of which are set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

"CannCure Common Shares" means the common shares in the capital of CannCure.

"CannCure Debentures" means collectively, the CannCure Amended and Restated Debentures and the CannCure Convertible Debentures.

"CannCure Earn-Out" has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“CannCure Finder Warrants” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

“CannCure Meeting” means the special meeting of CannCure Shareholders held on May 22, 2020 for the purposes of approving the Amalgamation and the BCA Lock-Up, among other matters.

“CannCure Shareholders” means the holders of the CannCure Common Shares prior to giving effect to the RTO Transaction.

“CannCure Subsidiaries” means the subsidiaries of the CannCure, being: Cannabis Cures Investments LLC, One Plant Florida and Farm to Fresh Holdings LLC.

“CannCure Unit Offering Warrants” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

“CannCure Warrants” means collectively, the warrants to purchase CannCure Common Shares, and including but not limited to, the CannCure Unit Offering Warrants, the CannCure Consideration Warrants and the CannCure Finder Warrants..

“CBCA” means the *Business Corporations Act* (Canada), as may be amended from time to time.

“CBD” means cannabidiol, one of the primary cannabinoids contained in cannabis.

“CEO” means Chief Executive Officer.

“Certificate of Amalgamation” means the certificate issued by the Director appointed under the OBCA upon the filing of the articles of amalgamation by the Amalgamating Corporations.

“CFO” means Chief Financial Officer.

“Chem Dog” means Chemdog Gardens, LLC.

“Chem Dog Agreement” has the meaning set out in *Section 4.1 – Narrative Description of the Business – Intellectual Property*.

“Closing Date” means June 11, 2020.

“Colorado Division” has the meaning set out in *Section 13.4 – Penalties & Sanctions*.

“Concurrent Financing” means the non-brokered private placement offering by CannCure of CannCure Convertible Debentures for aggregate gross proceeds of \$16,711,000, on the terms and subject to the conditions set out in subscription agreements entered into between the subscribers for CannCure Convertible Debentures and CannCure.

“Consolidation” means the consolidation of the Goldstream Shares on the basis of the Consolidation Ratio.

“Consolidation Ratio” means the ratio for the Consolidation, being one post-Consolidation Goldstream Share for every 16.07201 pre-Consolidation Goldstream Shares held.

“Construction Loan” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Construction Loan*.

“Continuance” means the continuance of Goldstream from the federal jurisdiction under the CBCA to the provincial jurisdiction of the Province of British Columbia under the BCBCA.

“Control” means, with respect to a corporation, means if a Person

(a) holds voting securities of a corporation, other than by way of security only, by or for the benefit of that Person; and

(b) if the Person votes the voting securities, the Person is entitled to elect a majority of the directors of a corporation.

“Conversion Price” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“Convertible Debenture Maturity Date” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“CSA” means the United States federal Controlled Substances Act of 1970 (21 U.S.C. § 811), as may be amended from time to time.

“CSE” or **“Exchange”** means the Canadian Securities Exchange or any Canadian stock exchange on which the Resulting Issuer Shares are publicly listed and posted for trading.

“CSE Policies” means the rules and policies of the CSE, as may be amended from time to time.

“Debt Conversion Agreement” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“December Promissory Note” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“Delisting” means the voluntary delisting of the Goldstream Shares from trading on the NEX board of the TSXV.

“Director Elections” means the reconstitution of the board of directors of Goldstream on the Closing Date to consist of four (4) directors, as nominated by CannCure and approved at the Goldstream Meeting.

“DOJ” means the United States Department of Justice.

“Effective Date” means the date specified in the certificate of Amalgamation issued by the Director appointed under the OBCA in connection with the Amalgamation.

“Effective Time” means the first moment (12:01 a.m. Eastern Time) on the Effective Date.

“Farm to Fresh Holdings LLC” means Farm to Fresh Holdings, LLC, a Florida limited liability company that is an indirect wholly-owned subsidiary of the Resulting Issuer following the completion of the RTO Transaction.

“FDA” means the United States Food and Drug Administration.

“First Mandatory Conversion” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“First Mandatory Conversion Period” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“First 10 Day VWAP” has the meaning set out in *Section 3.1 – General Development of the Business – General Development of the Business of CannCure – 2020 Financing Activities – Construction Loan*.

“G-Pen Agreement” has the meaning set out in *Section 4.1 – Narrative Description of the Business – Intellectual Property*.

“G-Pens” has the meaning set out in *Section 4.1 – Narrative Description of the Business – Intellectual Property*.

“Goldstream” means, prior to the completion of the RTO Transaction, Goldstream Minerals Inc., a corporation existing under the CBCA.

“Goldstream Meeting” means the annual and special meeting of the Goldstream Shareholders held on April 9, 2020, in order to seek shareholder approval for the Goldstream Meeting Matters.

“Goldstream Meeting Matters” means, inter alia, the following items to be presented for Shareholder approval at the Goldstream Meeting as a condition of the Business Combination: (a) the Consolidation; (b) the Name Change; (c) the Delisting; (d) the amendment and restatement and re-approval of the Stock Option Plan; (e) the Director Elections; (f) the adoption of the RSU Plan; (g) the Continuance; and (h) to transact such other business as shall properly come before the Goldstream Meeting or any adjournments or postponements thereof.

“Goldstream Offering” has the meaning set out in *Section 3.1 – General Development of the Business of Goldstream*.

“Goldstream Shareholders” means the holders of the Goldstream Shares.

“Goldstream Shares” means the common shares in the capital of Goldstream.

“Goldstream Unit” has the meaning set out in *Section 3.1 – General Development of the Business of Goldstream*.

“Goldstream Warrant” has the meaning set out in *Section 3.1 – General Development of the Business of Goldstream*.

“Greenhouse” has the meaning set out in *Section 4 – Narrative Description of the Business*.

“GS Holistic” means GS Holistic, LLC.

“IFRS” means International Financial Reporting Standards.

“Indiantown Facility” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – One Plant Florida*.

“IRS” means the United States Internal Revenue Service.

“Letter Agreement” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

“Listing Statement” means this CSE Form 2A - listing statement of the Resulting Issuer, including all schedules attached hereto, prepared in support of the listing of the Resulting Issuer Shares on the CSE, as may be amended, restated or supplemented from time to time.

“Market Price” means the volume weighted average trading price at which the Resulting Issuer Shares have been traded on the Exchange during the five (5) consecutive trading days ending one trading day prior to the issuance of the Resulting Issuer Shares.

“MI 61-101” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

“MMTC” means a Medical Marijuana Treatment Center in the State of Florida, as defined by Section 381.986(8)(a) of the Florida Statutes, which allows the licensed operation as a cultivator, producer, processor and dispenser of medical cannabis to qualified patients in a vertically-integrated marketplace.

“Name Change” means the name change of Goldstream from “Goldstream Minerals Inc.” to “Bluma Wellness Inc.”

“NEO” means a Named Executive Officer, as such term is defined in Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* under National Instrument 51-102 – *Continuous Disclosure Obligations*.

“NI 52-110” means National Instrument 52-110 – *Audit Committees*.

“Non-Convertible Debentures” means collectively, the unsecured non-convertible debentures in the aggregate principal amount of \$7,760,000 issued by CannCure pursuant to the Unit Offering.

“Northern Emeralds” means ECD Inc., which operates as “Northern Emeralds”, a corporation formed under the laws of the State of California.

“Northern Emeralds LOI” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Transactions with Northern Emeralds*.

“NP 46-201” means National Policy 46-201 – *Escrow for Initial Public Offerings*.

“OBCA” means the *Business Corporations Act* (Ontario), as amended from time to time.

“OMMU” means the Florida Department of Health, Office of Medical Marijuana Use.

“One Plant Florida” is the duly filed trade name of 3 Boys Farm, LLC.

“One Plant License Agreement” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – One Plant Florida*.

“Option Participant” has the meaning set out in *Section 9 – Options to Purchase Securities*.

“Order” has the meaning set out in *Section 13.3 – Cease Trade Orders and Bankruptcies*.

“Person” means any individual, corporation, partnership, unincorporated association, trust, joint venture, governmental body or any other legal entity whatsoever.

“Related Person” has the meaning attributed to such term in the CSE Policies.

“Resulting Issuer” or **“Bluma”** means Bluma Wellness Inc. (formerly Goldstream Minerals Inc.), a company existing under the BCBCA following the completion of the RTO Transaction.

“Resulting Issuer Board” means the board of directors of the Resulting Issuer.

“Resulting Issuer Convertible Debentures” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“Resulting Issuer Debenture Units” means units in the capital of the Resulting Issuer to be issued upon conversion of Resulting Issuer Convertible Debentures, with each Resulting Issuer Debenture Unit consisting of one Resulting Issuer Share and one Resulting Issuer Warrant.

“Resulting Issuer Debentures” means the debentures issued by the Resulting Issuer in exchange for the CannCure Debentures that were outstanding as of the Effective Time.

“Resulting Issuer Option Plan” means the Stock Option Plan, as amended and restated at the Goldstream Meeting in connection with the RTO Transaction.

“Resulting Issuer Options” means stock options issued in accordance with the Resulting Issuer Option Plan.

“Resulting Issuer RSU Plan” means the RSU Plan, as adopted at the Goldstream Meeting.

“Resulting Issuer RSUs” means the restricted share units issued pursuant to the Resulting Issuer RSU Plan.

“Resulting Issuer Shareholders” means the holders of Resulting Issuer Shares.

“Resulting Issuer Shares” means the common shares in the capital of the Resulting Issuer.

“Resulting Issuer Warrants” means the warrants to purchase Resulting Issuer Shares.

“RSU Participant” has the meaning set out in *Section 9 – Options to Purchase Securities*.

“RSU Plan” means the restricted share unit plan of Goldstream, as adopted at the Goldstream Meeting.

“RTO Transaction” means the Business Combination resulting in a reverse takeover of Goldstream by the CannCure Shareholders.

“Ruskin Facility” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – One Plant Florida*.

“SAO” has the meaning set out in *Section 13.4 – Penalties & Sanctions*.

“SEC” means the United States Securities and Exchange Commission.

“Second Mandatory Conversion” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“Second Mandatory Conversion Period” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

“Security Based Compensation Arrangements” means any incentive plan of the Resulting Issuer, including the Resulting Issuer Option Plan, the Resulting Issuer RSU Plan, a deferred share unit plan, and any incentive options granted by the Resulting Issuer outside of the Resulting Issuer Option Plan or the Resulting Issuer RSU Plan.

“Seed Unit” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Incorporation, Corporate Proceedings and 2018 Financing Activities*.

“Share Purchase Agreement” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“SOL Global” means SOL Global Investments Corp., a corporation incorporated and existing under the OBCA.

“SOL Global Acquisition” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“SOL Global Acquisition Purchase Price” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

“SOL Share” means a common share in the capital of SOL Global.

“Stock Option Plan” means the stock option plan of Goldstream.

“Subco” means Goldstream Exploration Ltd., a wholly-owned subsidiary of Goldstream, incorporated and existing under the OBCA.

“Subco Shares” means the common shares in the capital of Subco.

“Subsidiaries” means the subsidiaries of the Resulting Issuer, being: Amalco, Cannabis Cures Investments LLC, One Plant Florida, and Farm to Fresh Holdings LLC.

“THC” means delta-9-tetrahydrocannabinol.

“TSXV” means the TSX Venture Exchange.

“Unit” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

“Unit Offering” has the meaning set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

“U.S. Marijuana-Related Activities” means the direct, indirect or ancillary involvement of a Person in the marijuana industry in the United States, including the cultivation, possession or distribution of marijuana.

“we”, “us”, or “our”, means the Resulting Issuer and any of its Subsidiaries.

FORWARD-LOOKING STATEMENTS

This Listing Statement, including information and documents incorporated by reference, contains certain information, forecasts, projections, and/or disclosures about Goldstream, CannCure, the Resulting Issuer and their respective subsidiaries that may constitute “forward-looking information” and “forward-looking statements” under applicable securities laws (collectively, **“forward-looking statements”**). All such statements, forecasts, projections and/or disclosures included in this Listing Statement and the documents and information incorporated by reference, other than those of historical fact, that address activities, events or developments that the Resulting Issuer anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking statements. Forward-looking statements are based upon the Resulting Issuer’s current internal expectations, estimates, projections, assumptions and beliefs, which are subject to significant uncertainties and contingencies, many of which are beyond the control of the Resulting Issuer. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “expect”, “likely”, “may”, “will”, “should”, “intend”, “anticipate”, “potential”, “proposed”, “estimate”, “believe”, “plan”, “expect”, “forecast” and other words of similar import, understanding and meaning, including negative and grammatical variations thereof, or statements that certain events or conditions “may” or “will” happen, or by discussions of strategy. Actual results and developments may differ materially from those contemplated by these forward-looking statements. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. Forward-looking statements in this Listing Statement and the documents incorporated by reference include, but are not limited to, statements with respect to:

- (a) the strategic plans of the Resulting Issuer to grow and expand its business and operations in the United States;
- (b) any commentary related to the legalization of cannabis in the United States and the timing related thereto;
- (c) whether the United States government will enforce federal laws relating to cannabis and prosecute cannabis-related crimes;
- (d) changes in laws, regulations and guidelines relating to the Resulting Issuer’s business and liabilities inherent in cannabis development operations;
- (e) the intention to continue to open One Plant® branded retail dispensaries and/or dispensary hubs throughout the State of Florida;

- (f) the strategic growth plans of One Plant Florida, including plans to open additional retail dispensaries and/or dispensary hubs in the State of Florida (including the costs of constructing additional retail dispensaries and/or dispensary hubs) and to expand the delivery services offered by One Plant Florida;
- (g) the products and brands expected to be sold by One Plant Florida;
- (h) the expected uses of available financial resources and expected financing needs;
- (i) the expected completion of the expansion of the Indiantown Facility, the costs of completing the expansion of the Indiantown Facility, the receipt of required regulatory approvals from the OMMU and other applicable certifications;
- (j) the expected cannabis production from the Ruskin Facility and Indiantown Facility;
- (k) the payment of compensation to directors and executive officers of the Resulting Issuer, including grants or awards of compensation securities;
- (l) the repayment of the Resulting Issuer Debentures;
- (m) the number of Resulting Issuer Shares and other Resulting Issuer securities issued and outstanding following the conversion or exchange of convertible or exchangeable securities of the Resulting Issuer;
- (n) the Resulting Issuer's plans to retain any earnings to finance growth and expand its operations instead of paying any dividends on the Resulting Issuer Shares for the foreseeable future;
- (o) the expectation that the Resulting Issuer will derive a substantial portion of its revenues from the cannabis industry in the State of Florida;
- (p) the Resulting Issuer's belief that state limitations on licenses may not prevent it from capturing significant share of the revenue in the market;
- (q) the Resulting Issuer's belief that it may still capture a significant share of revenue in the market through wholesale sales, exclusive marketing relations, provision of management or support services, franchising, and similar arrangement with other operators;
- (r) the Resulting Issuer's reliance on positive net income from continuing operations and debt and equity financing for future funding to meet its ongoing obligations;
- (s) the expectation that the Resulting Issuer's general and administration expenditures will likely increase as the business expands with further acquisitions and investments;
- (t) the listing of the Resulting Issuer Shares on the CSE; and
- (u) other risks described in this Listing Statement and described from time to time in documents filed by the Issuer with securities regulatory authorities.

The Resulting Issuer has relied on certain key expectations and assumptions in making the forecasts, predictions or estimates set out in the forward-looking statements. These factors and assumptions are based on information available at the time that the forward-looking statements are made. These include, but are not limited to, expectations and assumptions concerning:

- (a) expectations regarding the Resulting Issuer's consolidated revenue, expenses and operations;
- (b) the Resulting Issuer's anticipated cash needs, its needs for additional financing, and changes to its dividend policies;
- (c) the Resulting Issuer's expectations regarding regulatory developments in the jurisdictions in which it currently operates or is contemplating future operations;
- (d) the Resulting Issuer's expectations with respect to the size of the target market for its products in the State of Florida;
- (e) the Resulting Issuer's strategies to develop its business and its operations;
- (f) the Resulting Issuer's expectations with respect to how its products will be distributed to consumers in the United States;
- (g) the Resulting Issuer's growth expectations and ability to maintain sufficient inventory;
- (h) the Resulting Issuer's expectations with respect to future production costs and capacity; and
- (i) the Resulting Issuer's competitive position and the regulatory environment in which it operates.

Undue reliance should not be placed on forward-looking statements because a number of risks and factors may cause actual results to differ materially from those set out in such forward-looking statements. These include those risks identified below and also those more fully described in *Section 17 – Risk Factors*:

- (a) risks associated with government regulation, prohibition, enforcement, and legislation concerning the cannabis industry in the United States;
- (b) risks associated with an industry experiencing rapid growth and competition;
- (c) risks of managing the growth of the Resulting Issuer's business, including the accuracy of financial projections;
- (d) limited access to the federal banking system in the United States;
- (e) risks related to default on the Resulting Issuer's debts;
- (f) risks associated with unfavorable publicity or consumer perception;

- (g) risks associated with obtaining and maintaining all necessary licenses, permits, or other legal authorizations needed to operate in the cannabis industry or to sell products to patients;
- (h) risks associated with the enforceability of contracts;
- (i) risks associated with the reliance on suppliers, service providers and third parties;
- (j) risks associated with protecting the Resulting Issuer's intellectual property and licensing third party intellectual property;
- (k) risks associated with litigation and/or product liability;
- (l) risks inherent in the agricultural business;
- (m) risks associated with economic conditions, dependence on management and key personnel, and conflicts of interest;
- (n) risks associated with changing consumer demand and preferences, including illicit supplies of cannabis; and
- (o) risks associated with general economic and financial market conditions, including with respect to COVID-19.

Readers are cautioned that the foregoing list of factors should not be construed as exhaustive.

Although the Resulting Issuer believes that the expectations reflected in the forward-looking statements in this Listing Statement and the documents incorporated by reference are reasonable, it can give no assurance that such expectations will prove to be correct. The Resulting Issuer's forward-looking statements are expressly qualified in their entirety by this cautionary statement and are made as of the date of this Listing Statement. The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. Undue reliance should not be placed on forward-looking statements contained in this Listing Statement or in documents incorporated by reference. The Resulting Issuer undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Currency

Amounts in this Listing Statement are stated in United States dollars unless otherwise indicated.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

The Listing Statement has been prepared in connection with the RTO Transaction and the proposed listing of the Resulting Issuer Shares on the CSE.

Prior to the completion of the RTO Transaction, the head and registered office of Goldstream was 366 Bay Street, Suite 200, Toronto, Ontario M5H 4B2.

Prior to the completion of the RTO Transaction, the head and registered office of CannCure was 100 King Street West, Suite 5600, Toronto, Ontario, M5X 1C9.

Following completion of the RTO Transaction, the full corporate name of the Resulting Issuer is “Bluma Wellness Inc.” The registered and records office of the Resulting Issuer is Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC, V6C 2B5.

2.2 Incorporation

Goldstream was incorporated under the ABCA as “Metamedia Capital Corp.” on April 28, 2003. On August 10, 2010, Goldstream continued under the federal laws of Canada, governed by the CBCA. On September 4, 2012, Goldstream filed articles of amendment changing its name to “Goldstream Minerals Inc.”

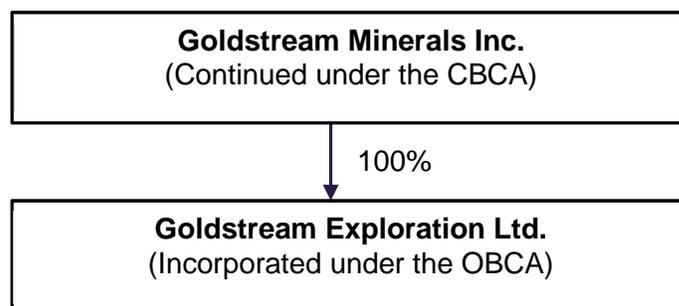
CannCure was incorporated under the OBCA on June 5, 2018. Prior to the Amalgamation, completed in connection with the RTO Transaction, there were no material amendments to the articles and other constating documents of CannCure since its incorporation.

In connection with the RTO Transaction, Goldstream effected the Consolidation of the Goldstream Shares and completed the Name Change on May 8, 2020. On May 22, 2020, Goldstream completed the Continuance.

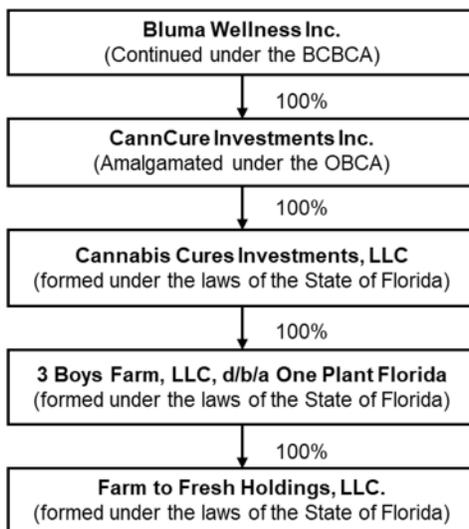
Following completion of the RTO Transaction the Resulting Issuer is a reporting issuer in the Provinces of British Columbia and Alberta. Upon the listing of the Resulting Issuer Shares on the CSE the Resulting Issuer will become a reporting issuer in the Province of Ontario.

2.3 Intercorporate Relationships

The following diagram illustrates Goldstream’s corporate structure, together with the governing law or the jurisdiction of incorporation of each principal material subsidiary and the percentage of voting securities beneficially owned by Goldstream, immediately prior to the completion of the RTO Transaction.



The organization chart of the Resulting Issuer, including the governing law or the jurisdiction of incorporation of each principal material subsidiary and the percentage of voting securities beneficially owned by the Resulting Issuer, following the closing of the RTO Transaction, is set out below.



2.4 Fundamental Change

Section 2.4 of CSE - Form 2A is not applicable to the Resulting Issuer.

2.5 Non-corporate Issuers and Issuers Incorporated outside of Canada

Section 2.5 of CSE - Form 2A is not applicable to the Resulting Issuer.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

Following the Closing Date, the Resulting Issuer began carrying on the business conducted by CannCure prior to the completion of the RTO Transaction. As of the date of this Listing Statement, all of the Resulting Issuer's business is derived directly from U.S. Marijuana-Related Activities. As such, the Resulting Issuer's balance sheet and operating statement are fully exposed to U.S. Marijuana-Related Activities.

General Development of the Business of Goldstream

Goldstream historically operated as an integrated Canadian media company providing print, electronic publishing and e-media services to global audiences. In 2011, Goldstream transitioned into the mining and resources sector as an exploration stage junior mining company, engaged in the business of identification, acquisition and exploration of mineral interests. Over the three most recently completed financial years prior to the RTO Transaction, Goldstream did not have business operations or assets other than cash and short-term investments, and focused on identifying, evaluating and negotiating the acquisition of assets or new business opportunities. The Goldstream Shares were previously listed for trading on the NEX board of the TSXV under

the symbol “GSX.H”. The Goldstream Shares were voluntarily delisted from the NEX Board of the TSXV at the close of business on April 24, 2020 in connection with the RTO Transaction.

On March 5, 2018, Goldstream announced the closing of a non-brokered private placement of 13,200,000 units (each a “**Goldstream Unit**”) at a price of CAD\$0.05 per Goldstream Unit for aggregate gross proceeds of CAD\$660,000 (the “**Goldstream Offering**”). Each Goldstream Unit consisted of one Goldstream Share and one Goldstream Share purchase warrant (each a “**Goldstream Warrant**”). Each Goldstream Warrant was exercisable for one Goldstream Share at a price of CAD\$0.07 for a period of 12 months from the closing date. No finders’ fees were paid in connection with the Goldstream Offering.

On May 29, 2019, Goldstream entered into a letter of intent with CannCure proposing a reverse takeover of Goldstream by the CannCure Shareholders, which was subsequently terminated on July 29, 2019.

On January 8, 2020, Goldstream entered into a letter of intent with CannCure proposing the RTO Transaction.

On February 20, 2020, Goldstream entered into the Business Combination Agreement, as amended March 19, 2020.

On May 8, 2020, Goldstream completed the Consolidation and Name Change in connection with the RTO Transaction. On May 22, 2020 Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.) completed the Continuance.

General Development of the Business of CannCure

Prior to the RTO Transaction, CannCure’s business was focused on indirectly owning and operating a licensed, vertically-integrated cannabis enterprise that cultivated, processed and dispensed medical cannabis and cannabis derived medical products in the State of Florida in accordance with Florida state law. Following the Closing Date, the Resulting Issuer began carrying on the business conducted by CannCure prior to the completion of the RTO Transaction, operating a licensed, vertically-integrated medical cannabis enterprise in the State of Florida.

Incorporation, Corporate Proceedings and 2018 Financing Activities

On June 5, 2018, CannCure was incorporated under the OBCA.

On July 16, 2018, CannCure completed a non-brokered private placement of CannCure Common Shares, issuing an aggregate of 13,991,667 CannCure Common Shares at a price of \$0.12 per CannCure Common Share for gross proceeds of approximately \$1,679,000.

On July 16, 2018, CannCure completed a non-brokered private placement of units (each a “**Seed Unit**”) by issuing an aggregate of 3,525,000 Seed Units at a price of \$0.12 per Seed Unit for gross proceeds of approximately \$423,000. Each Seed Unit consisted of one (1) CannCure Common Share and one (1) CannCure Warrant to purchase a CannCure Common Share at a price of \$0.12 per CannCure Common Share for a period of three (3) years from the date of closing.

On July 31, 2018, CannCure completed a non-brokered private placement of CannCure Common Shares by issuing an aggregate of 2,899,997 CannCure Common Shares at a price of \$0.66 per CannCure Common Share for gross proceeds of approximately \$1,914,000.

On August 16, 2018, CannCure completed a non-brokered private placement of CannCure Common Shares by issuing an aggregate of 37,186,734 CannCure Common Shares at a price of \$1.00 per CannCure Common Share for gross proceeds of approximately \$37,186,734.

On February 19, 2020, Brady Cobb resigned as a director of CannCure. Chad Moss was appointed as a director of CannCure to fill the vacancy created by Mr. Cobb's resignation.

On March 13, 2020, Peter Liabotis resigned as, and Harry Rosenfeld was appointed, Chief Financial Officer of CannCure.

Acquisition of CannCure by SOL Global

On July 25, 2018, CannCure entered into a letter of intent for the proposed acquisition by SOL Global of all of the issued and outstanding CannCure Common Shares (the "**SOL Global Acquisition**"). At the time, CannCure, through its wholly-owned subsidiary, Cannabis Cures Investments LLC, was in the process of acquiring a 60% interest in 3 Boys from Four Boys Holdings, LLC.

On October 9, 2018, Cannabis Cures Investments LLC completed the acquisition of 60% of 3 Boys for an aggregate purchase price of \$28.8 million. 3 Boys was re-branded to One Plant Florida on October 17, 2019.

For further information on the business and operations of One Plant Florida, see *Section 3.1 – General Development of the Business of CannCure – One Plant Florida* and *Section 4.1 – Narrative Description of the Business*.

On October 22, 2018, CannCure and the holders of the CannCure Common Shares entered into a definitive share purchase agreement with SOL Global (the "**Share Purchase Agreement**") in respect of the SOL Global Acquisition.

On December 11, 2018, CannCure issued a 10.0% interest bearing promissory note in the principal amount of \$19,200,000 in favour of SOL Global (the "**December Promissory Note**").

On December 11, 2018, Cannabis Cures Investments LLC acquired the remaining 40% of 3 Boys for an aggregate purchase price of \$19.2 million.

On March 8, 2019, One Plant Florida received approval from the OMMU for SOL Global's indirect acquisition of ownership of One Plant Florida, which was completed pursuant to SOL Global's purchase of all of the issued and outstanding CannCure Common Shares in connection with the SOL Global Acquisition.

On April 1, 2019, CannCure and the holders of the CannCure Common Shares entered into an amended and restated share purchase agreement with SOL Global (the "**Amended and Restated Share Purchase Agreement**") in respect of the SOL Global Acquisition, as amended by an amending agreement entered into between the parties on August 29, 2019.

On April 5, 2019, SOL Global completed the acquisition of all of the issued and outstanding CannCure Common Shares pursuant to the terms and subject to the conditions of the Amended and Restated Share Purchase Agreement. In connection with the SOL Global Acquisition, the former CannCure Shareholders transferred an aggregate of 61,128,398 CannCure Common Shares to SOL Global, representing all of the issued and outstanding CannCure Common Shares, for an aggregate purchase price of \$41,207,519 (the “**SOL Global Acquisition Purchase Price**”). Pursuant to the terms and subject to the conditions of the Amended and Restated Share Purchase Agreement, as amended, the SOL Global Acquisition Purchase Price was satisfied by: (i) the issuance of an aggregate of 7,317,500 SOL Shares at a deemed price of CAD\$4.00 per SOL Share; (ii) the payment of \$19,200,000 in cash to CannCure by SOL Global; and (iii) upon the future execution of a binding agreement providing for the sale of One Plant Florida, the payment of an earn-out payment to the former CannCure Shareholders (the “**CannCure Earn-Out**”), the value of which would be determined based on the consideration received from any future sale of One Plant Florida. In connection with the completion of the SOL Global Acquisition, Brady Cobb and Peter Liabotis were appointed to the board of directors of CannCure. Mr. Cobb was also appointed as Chief Executive Officer and Mr. Liabotis was appointed as Chief Financial Officer.

Effective on April 30, 2019, CannCure issued an aggregate of 13,871,602 CannCure Common Shares to SOL Global pursuant to the terms and subject to the conditions of a debt conversion agreement dated as of the same date (the “**Debt Conversion Agreement**”) in full and final satisfaction of the December Promissory Note.

On February 20, 2020, CannCure, Goldstream and Subco entered into the Business Combination Agreement, as described in further detail below. The entering into of the Business Combination Agreement triggered the obligation of SOL Global to satisfy the CannCure Earn-Out pursuant to the terms of the Amended and Restated Share Purchase Agreement, as amended. On February 20, 2020, SOL Global transferred an aggregate of 35,151,483 CannCure Common Shares to the former CannCure Shareholders in full and final satisfaction of the CannCure Earn-Out.

2019 Financing Activities

On May 6, 2019, the directors of CannCure approved a non-brokered private placement offering of up to 25,000 units of CannCure (each, a “**Unit**”) at a price of \$1,000 per Unit for gross proceeds of up to \$25,000,000 (the “**Unit Offering**”). Each Unit consisted of (i) 250 CannCure Common Shares, (ii) 500 CannCure Warrants (each a “**CannCure Unit Offering Warrant**”), and (iii) a Non-Convertible Debenture in the principal amount of \$500. Prior to the completion of the RTO Transaction, each CannCure Unit Offering Warrant entitled the holder thereof to purchase one (1) CannCure Common Share at a price of \$1.00 for a period of 24 months after the closing of the Unit Offering. At the time of issuance, each Non-Convertible Debenture was non-interest bearing and would mature on the earlier of (i) the 24 month anniversary of the closing of the Unit Offering and (ii) the date on which CannCure were to complete, by way of one or more offerings of debt or equity securities of CannCure, a capitalization for a minimum gross amount of \$36,000,000. Prior to the completion of the RTO Transaction, CannCure had the right to redeem all or part of the outstanding Non-Convertible Debentures prior to maturity. Although the Unit Offering was non-brokered, as compensation to a dealer that introduced subscribers to CannCure in connection with the Unit Offering (the “**Finder**”), CannCure issued an aggregate of 54,000 CannCure Warrants (each a “**CannCure Finder Warrant**”) to the Finder. Each CannCure Finder Warrant entitled the holder to acquire one CannCure Common Share at a price of \$2.00 until May 6, 2021.

From May 6, 2019 to July 25, 2019, CannCure completed the Unit Offering in several tranches, issuing an aggregate of 15,520 Units, consisting of an aggregate of 3,880,000 CannCure Common Shares, 7,760,000 CannCure Unit Offering Warrants, and Non-Convertible Debentures in the principal amount of \$7,760,000, for aggregate gross proceeds of \$15,520,000.

On February 19, 2020, CannCure entered into a letter agreement with the holders of the Non-Convertible Debentures to amend and restate the Non-Convertible Debentures (the “**Letter Agreement**”). Pursuant to the terms and subject to the conditions of the Letter Agreement, the Non-Convertible Debentures were amended and restated to, among other things: (i) fix the maturity date of the Non-Convertible Debentures to February 20, 2023; (ii) provide for the payment of interest on the outstanding principal amount of the Non-Convertible Debentures at a rate of 6.00% per annum, calculated and payable annually in arrears, which could be satisfied in cash or in CannCure Common Shares in the discretion of CannCure; and (iii) provide that, upon the completion of the RTO Transaction, the Non-Convertible Debentures would be exchanged for debentures of the Resulting Issuer bearing equivalent terms. As consideration for the acceptance of the amendments proposed in the Letter Agreement, CannCure issued CannCure Warrants to the holders of the Non-Convertible Debentures (each a “**CannCure Consideration Warrant**”). Pursuant to the terms of the Letter Agreement, CannCure issued to each holder of a Non-Convertible Debenture one half of one (1/2) CannCure Consideration Warrant per dollar of principal amount outstanding under the Non-Convertible Debentures held by such holder. Prior to the completion of the RTO Transaction, each full CannCure Consideration Warrant entitled the holder thereof to purchase one (1) CannCure Common Share at an exercise price of \$1.00 per CannCure Common Share on or before February 20, 2022. A total of 3,880,000 CannCure Consideration Warrants were issued to the holders of the Non-Convertible Debentures pursuant to the terms of the Letter Agreement.

SOL Global and CannCure subsequently agreed to amend the terms of the CannCure Unit Offering Warrants and the CannCure Consideration Warrants, held by SOL Global. All CannCure Warrants held by SOL Global at the Effective Time were cancelled and exchanged for Resulting Issuer Warrants bearing equivalent terms. SOL Global will not be permitted to exercise Resulting Issuer Warrants, whether in whole or in part, if the exercise would result in SOL Global having beneficial ownership of, or control or direction over, whether direct or indirect, or any combination thereof, equal to or more than 20% of the Resulting Issuer Shares, such amount taking into account any Resulting Issuer Shares issuable pursuant to any other convertible securities beneficially owned, controlled or directed by SOL Global on a post-conversion basis.

At the Effective Time, CannCure’s outstanding securities, including the CannCure Common Shares, CannCure Unit Offering Warrants, CannCure Finder Warrants, CannCure Consideration Warrants and CannCure Amended and Restated Debentures were cancelled and exchanged for securities of the Resulting Issuer. For further information on the exchange of securities completed in connection with the RTO Transaction see *Section 3.1 – General Development of the Business of CannCure – The RTO Transaction*.

Transactions with Northern Emeralds

On May 16, 2019, SOL Global announced that it had entered into a binding letter of intent with ECD, Inc., operating as “Northern Emeralds” (the “**Northern Emeralds LOI**”). SOL Global subsequently assigned all of its rights and obligations pursuant to the Northern Emeralds LOI to its then subsidiary, CannCure, as part of determining the definitive transaction structure of the acquisition. Pursuant to the terms of the Northern Emeralds LOI, CannCure would acquire either

all the assets or all the issued and outstanding shares of Northern Emeralds for an aggregate purchase price of \$120 million, less certain adjustments. On February 19, 2020, CannCure issued an aggregate of 10 million CannCure Common Shares to Northern Emeralds at a deemed price of \$1.00 per CannCure Common Share as a deposit for the purchase price payable under the terms of the Northern Emeralds LOI. On March 31, 2020, the Northern Emeralds LOI expired in accordance with its terms after the parties failed to come to an agreement on a definitive purchase agreement. CannCure and Northern Emeralds negotiated a return of the CannCure Common Shares to CannCure for cancellation.

One Plant Florida

One Plant Florida is the licensed, vertically-integrated operating subsidiary of the Resulting Issuer (and prior to the completion of the RTO Transaction, a subsidiary of CannCure) that cultivates, processes and dispenses medical cannabis in the State of Florida in accordance with Florida state law. One Plant Florida holds one (1) of 22 MMTC licenses that have been issued to date by the Florida Department of Health, Office of Medical Marijuana Use to operate in the State of Florida. One Plant Florida's MMTC license was originally granted on July 31, 2017. One Plant Florida's operations began at its eight acre farm facility in Ruskin, Florida (the "**Ruskin Facility**"), which received approval from the OMMU to begin cultivating medical cannabis on January 2, 2018. The Ruskin Facility features a 24,000 square foot GMP (Good Manufacturing Practices) and GAP (Good Agricultural Practices) certified cultivation facility, including four greenhouses of approximately 6,000 square feet each, in addition to propagation and processing areas. On April 1, 2019, One Plant Florida began renovations and upgrades to the Ruskin Facility, including: (i) the installation of full air conditioning systems for the greenhouses; (ii) the installation of clean walls to divide the greenhouse rooms into two separate 3,000 square foot greenhouse rooms; (iii) the installation of new lighting and electrical upgrades; (iv) the installation of a new well; and (v) the construction of a temperature and humidity-controlled cure and processing room. All such renovations and upgrades to the Ruskin Facility were subsequently completed.

One Plant Florida also owns and operates a thirty-three (33) acre farm in Indiantown, Florida (the "**Indiantown Facility**"), that includes a state of the art 54,000 square foot Nexus Greenhouse facility (the "**Greenhouse**"). On March 29, 2019, One Plant Florida received approval from the OMMU to process medical cannabis at the Indiantown Facility and began operating a 2,500 square foot processing, extraction and distillation laboratory to create THC and low-THC distillates and oils, as well as cannabis flower (sold in varying sizes from one-eighth of an ounce to full ounce) and pre-rolled cannabis flower joints (0.5 gram and 1 gram units, respectively). Construction of the Greenhouse at the Indiantown Facility began in April 2019 and One Plant Florida commenced cultivation operations on April 10, 2020, following receipt of approval from the OMMU.

One Plant Florida also completed upgrades of its GMP-certified processing, extraction and distillation laboratory at the Indiantown Facility, which was recertified in March 2020 in accordance with annual audit requirements. One Plant Florida intends to expand the Indiantown Facility by constructing an approximately 88,327 square foot indoor tilt-up cultivation, processing, lab and kitchen facility at the Indiantown Facility. The expansion of the Indiantown Facility will provide: (i) a tilt wall building for the indoor growing, trimming and curing of medical cannabis; (ii) a kitchen lab for manufacturing edible products; (iii) a lab for distillate manufacturing; (iv) production, trim and packaging areas; and (v) a shipping and receiving area for distribution to delivery hubs throughout the State of Florida. The total cost of the construction and development of the expansion of the Indiantown Facility is expected to be between \$18 million and \$20 million and

will be funded, in part, with the proceeds of the Construction Loan. One Plant Florida anticipates that the expansion of the Indiantown Facility will be in operation on or before April 1, 2021, subject to the receipt of all required regulatory approvals from the OMMU, as well as the completion of Good Manufacturing Practices certification.

In early July 2019, One Plant Florida commenced home deliveries throughout Florida with a fleet of 13 delivery vehicles. One Plant Florida plans to open a total of 15 retail dispensaries and/or dispensary hubs statewide by March 1, 2021, including its three current retail dispensaries located in Boynton Beach, Florida, Jacksonville Beach, Florida, and St. Petersburg, Florida. One Plant Florida anticipates that the cost of opening such retail dispensaries or dispensary hubs will total approximately \$3,500,000. One Plant Florida opened its first retail location in Boynton Beach, Florida on November 6, 2019, followed by its retail location in Jacksonville Beach, Florida on March 6, 2020, and its retail location in St. Petersburg, Florida on April 17, 2020, and intends to open seven (7) additional retail dispensaries and/or dispensary hubs by November 2020 (subject to the receipt of all required approvals from the OMMU) in the following locations and order: (1) Port St. Lucie, Florida, (2) Ocala, Florida, (3) Orlando (Fern Park), Florida, (4) Avon Park, Florida, (5) North Miami, Florida, (6) Oakland Park, Florida, and (7) Pensacola, Florida. Additional locations are expected to open in South Florida, Southwest Florida and North Florida by the first quarter of 2021. All retail dispensaries and dispensary hubs are expected to carry a diversified range of cannabis and cannabis-related products including cannabis flower, pre-rolled cannabis flower joints, distillate products, solventless hash and concentrates, balms, tinctures and other cannabis-related products. One Plant Florida will continue its strategic focus on delivery of medical cannabis through its dispensary hubs and by increasing the number of delivery vans assigned to each location. One Plant Florida expects to provide 24-hour delivery timing throughout the State of Florida by the first quarter of 2021.

One Plant Florida holds interests in intellectual property relating to its business pursuant to a license agreement dated September 4, 2019, as amended and restated on December 23, 2019 (the “**One Plant License Agreement**”). Pursuant to the terms and subject to the conditions of the One Plant License Agreement, One Plant Florida has an exclusive, royalty-bearing, non-transferable, non-sublicensable (except that One Plant Florida is authorized to grant sublicenses to its affiliates), limited license to use certain intellectual property relating to the One Plant brand, including certain marks and logos, in connection with the promotion, marketing, advertising and retail sale of cannabis in the State of Florida. The One Plant License Agreement allows One Plant Florida to create, establish, and maintain a One Plant website and operate and own social media platforms in furtherance of the use and exploitation of the licensed intellectual property. The One Plant License Agreement has an initial term of five years, which may be extended for an additional five year term at the option of One Plant Florida on the same terms and conditions. See *Section 17 – Risk Factors – Risks Related to Licenses of Intellectual Property* for additional information on the risks related to the Resulting Issuer’s intellectual property.

The RTO Transaction

On May 29, 2019, CannCure entered into a letter of intent with Goldstream providing for the reverse takeover of Goldstream by CannCure Shareholders. The entity resulting from the proposed transaction would continue to carry on the business of CannCure as a licensed, vertically-integrated medical cannabis company in the State of Florida. On July 29, 2019, CannCure announced the termination of the proposed business combination with Goldstream.

On January 8, 2020, CannCure entered into a new letter of intent with Goldstream providing for a reverse takeover of Goldstream by CannCure Shareholders. The Resulting Issuer, to be named “Bluma Wellness Inc.,” would carry on the business of CannCure as a licensed, vertically-integrated medical cannabis company operating in the State of Florida via One Plant Florida.

On February 20, 2020, CannCure, Goldstream and Subco entered into the Business Combination Agreement, providing for the definitive terms and conditions of the RTO Transaction, as amended March 19, 2020.

Pursuant to the terms and subject to the conditions of the Business Combination Agreement, the principal steps of the RTO Transaction included:

- (1) The completion of the Concurrent Financing by CannCure (as described in further detail below).
- (2) The completion of the Delisting by Goldstream.
- (3) The Consolidation of the Goldstream Shares following which, but prior to giving effect to the remaining steps in the RTO Transaction, Goldstream had approximately 1,503,750 Goldstream Shares issued and outstanding (subject to rounding).
- (4) The completion of the Name Change to “Bluma Wellness Inc.”
- (5) The completion of the Continuance.
- (6) The combination of the businesses and assets of Goldstream and CannCure by way of a statutory “three-cornered” amalgamation among Goldstream, CannCure, and Subco in accordance with the provisions of the OBCA, pursuant to which CannCure and Subco completed the Amalgamation, with the resulting entity being Amalco. To effect the Amalgamation, the following happened concurrently at the Effective Time:
 - (a) CannCure Shareholders who elected (or were deemed to have elected) to receive Resulting Issuer Shares received one (1) fully paid and non-assessable Resulting Issuer Share for each CannCure Common Share held by such holders, following which all such CannCure Common Shares were cancelled;
 - (b) each CannCure Warrant outstanding was cancelled and exchanged for one (1) Resulting Issuer Warrant bearing equivalent terms as the CannCure Warrant exchanged;
 - (c) each CannCure Amended and Restated Debenture outstanding was cancelled and exchanged for Resulting Issuer Debentures with an equivalent outstanding principal amount and interest rate as the CannCure Amended and Restated Debenture exchanged;
 - (d) each CannCure Convertible Debenture outstanding was cancelled and exchanged for Resulting Issuer Convertible Debentures with an equivalent outstanding principal amount, interest rate and equivalent conversion terms as the CannCure Convertible Debentures exchanged;

(e) the Resulting Issuer received one (1) fully-paid and non-assessable Amalco Share for each Subco Share held by the Resulting Issuer, following which all such Subco Shares were cancelled; and

(f) as consideration for the issuance of the Resulting Issuer Shares to the CannCure Shareholders to effect the Amalgamation, Amalco issued to the Resulting Issuer one (1) Amalco Share for each Resulting Issuer Share so issued.

- (7) On the Closing Date, the board of directors of the Resulting Issuer was reconstituted to consist of Messrs. Chad Moss, Brady Cobb, Michael Bondurant and Adam Wilks, with Mr. Moss also becoming the Chairman, Mr. Cobb becoming the Chief Executive Officer and Mr. Bondurant becoming President and Chief Strategy Officer. The Resulting Issuer Board also appointed the following Persons as officers of the Resulting Issuer on the Closing Date: Mr. Harry Rosenfeld was appointed Chief Financial Officer, Mr. Michael Smuts was appointed Chief Operating Officer and Mr. Christopher S. Polaszek was appointed Chief Legal Officer and Corporate Secretary. For additional information on the directors and officers of the Resulting Issuer, please see *Section 13 – Directors and Officers*.

The completion of the RTO Transaction was subject to the satisfaction of certain conditions, including the receipt of applicable approvals of the Goldstream Shareholders for the Goldstream Meeting Matters and the RTO Transaction, approval of the CannCure Shareholders for the Amalgamation and the BCA Lock-Up, and applicable regulatory approvals, including of the OMMU. Following the Closing Date, the Resulting Issuer began carrying on the business conducted by CannCure prior to the completion of the RTO Transaction, operating a licensed, vertically-integrated medical cannabis enterprise in the State of Florida.

Immediately following the completion of the RTO Transaction, former CannCure Shareholders held approximately 98.18% of the issued and outstanding Resulting Issuer Shares and pre-RTO Transaction Goldstream Shareholders will held approximately 1.82% of the issued and outstanding Resulting Issuer Shares, in each case, on a non-diluted basis. For more information on the outstanding capital of the Resulting Issuer, please see *Section 8 – Consolidated Capitalization*.

2020 Financing Activities

Construction Loan

On February 21, 2020, CannCure entered into a construction loan agreement with AFC providing for a non-revolving, staged advance loan for a maximum available principal amount of \$15,000,000 (the “**Construction Loan**”). The Construction Loan will fund, in part, the construction and development of a new 88,327 square foot indoor tilt-up cultivation, processing, lab and kitchen facility at the Indiantown Facility. The Construction Loan matures on February 18, 2025 and bears interest at a fixed rate of 13.5% per annum. An aggregate of \$3,000,000 was initially advanced and disbursed to CannCure with the remaining balance to be advanced in accordance with the terms of the Construction Loan.

On April 17, 2020, the Construction Loan was amended and restated to, among other things, provide for an additional advance of \$5,000,000 (the “**Bridge Loan**”) that had not otherwise been contemplated under the original disbursement schedule of the Construction Loan. The Bridge Loan bears an interest rate of 19.0% per annum and matures on the earliest of: (i) December 31,

2020, (ii) the sale of the Ruskin Facility, and (iii) the occurrence of an event of default (as set out in the amended and restated construction loan agreement). AFC is not obligated to advance and disburse any further amounts under the Construction Loan until the Bridge Loan has been repaid in full.

The Construction Loan is secured by, among other security, mortgages on the Indiantown Facility and Ruskin Facility and by personal property registrations against the property, equipment and other assets at the Indiantown Facility and Ruskin Facility, including a lien and security interest against the One Plant Florida operating license granted by the OMMU. As additional security for the Resulting Issuer and the Subsidiaries' obligations to AFC pursuant to the Construction Loan, Cannabis Cures Investments LLC entered into a pledge and security agreement in favour of AFC, under which Cannabis Cures Investments LLC granted a pledge of the outstanding membership interests of One Plant Florida held by Cannabis Cures Investments LLC to AFC.

Pursuant to the terms of the Construction Loan, AFC will be issued non-transferable Resulting Issuer Warrants in the amount equal to 15% of the Construction Loan divided by the ten (10) day volume weighted average price of the Resulting Issuer Shares immediately following the commencement of trading of the Resulting Issuer Shares on the Exchange (the "**First 10 Day VWAP**"). Each such Resulting Issuer Warrant will entitle AFC to purchase one (1) Resulting Issuer Share at an exercise price equal to the First 10 Day VWAP and expire on February 12, 2025, provided however, that no exercise of such Resulting Issuer Warrants will be permitted that results in AFC holding more than 9.9% of the Resulting Issuer Shares. For illustrative purposes, in the event that the First 10 Day VWAP equals \$1.00 per share, then AFC will be issued 2,250,000 Resulting Issuer Warrants at an exercise price of \$1.00 per share.

Concurrent Financing

On March 31, 2020, CannCure completed the Concurrent Financing. An aggregate of 16,711 CannCure Convertible Debentures were issued and sold at a price of \$1,000 per CannCure Convertible Debenture for aggregate proceeds of \$16,711,000. Each CannCure Convertible Debenture outstanding at the Effective Time was exchanged for a Resulting Issuer Debenture in an equivalent principal amount, bearing an equivalent interest rate, and containing other terms and conditions substantially similar to the terms and conditions of the CannCure Convertible Debentures (the "**Resulting Issuer Convertible Debentures**"). The Resulting Issuer Convertible Debentures are unsecured debentures in the capital of the Resulting Issuer and bear interest at a rate of 12.50% per annum, payable annually in arrears on December 31 of each year. The Resulting Issuer Convertible Debentures will mature on March 31, 2022 (the "**Convertible Debenture Maturity Date**"), unless earlier converted or redeemed in accordance with their terms. The Resulting Issuer may satisfy accrued and unpaid interest on the Resulting Issuer Convertible Debentures in cash or in Resulting Issuer Shares, determined in the sole discretion of the Resulting Issuer. If the Resulting Issuer elects to satisfy accrued and unpaid interest through the issuance of Resulting Issuer Shares, each Resulting Issuer Share will be issued at a deemed price equal to, subject to customary adjustments, the lesser of: (i) \$1.00; and (ii) the Market Price less a discount equal to the lesser of: (A) 10% of the Market Price; and (B) the maximum allowable discount permitted by the Exchange.

The Resulting Issuer may, in its sole discretion, prepay in cash all or any part of the principal amount of the Resulting Issuer Convertible Debentures at any time before the Convertible Debenture Maturity Date, upon at least ten (10) days' prior written notice of such redemption.

The outstanding principal amount of the Resulting Issuer Convertible Debentures and any accrued but unpaid interest are convertible at the option of the holder at any time on or before the Convertible Debenture Maturity Date into Resulting Issuer Debenture Units at a conversion price equal to the lesser of: (i) \$0.90; and (ii) the Market Price less a discount equal to the lesser of: (A) 20% of the Market Price; and (B) the maximum allowable discount permitted by the Exchange (the **"Conversion Price"**). Each Resulting Issuer Debenture Unit will consist of one Resulting Issuer Share and one Resulting Issuer Warrant.

Each Resulting Issuer Warrant issued as a part of a Resulting Issuer Debenture Unit will be exercisable by the holder thereof for a period of two years from the date of issuance at an exercise price per Resulting Issuer Share equal to the greater of: (i) \$1.00; (ii) the Market Price; and (ii) 110% of the Conversion Price.

During the first six (6) months immediately following the completion of the Business Combination and the listing of the Resulting Issuer Shares on the Exchange (the **"First Mandatory Conversion Period"**), a holder of Resulting Issuer Convertible Debentures will be obligated to, by way of one single exercise and upon notice to the Resulting Issuer, convert at least fifty percent (50%) of the outstanding principal amount of the Resulting Issuer Convertible Debentures, together with any accrued but unpaid interest, into Resulting Issuer Debenture Units at the Conversion Price (the **"First Mandatory Conversion"**). If the holder of Resulting Issuer Convertible Debentures has not delivered an exercise notice to the Resulting Issuer of the First Mandatory Conversion by the end of the First Mandatory Conversion Period, then fifty percent (50%) of the outstanding principal amount of the Resulting Issuer Convertible Debentures held by such holder, together with any accrued but unpaid interest, shall automatically be converted at the Conversion Price.

During the six (6) month period immediately following the First Mandatory Conversion Period (the **"Second Mandatory Conversion Period"**), the holder of Resulting Issuer Convertible Debentures will be obligated to, by way of one single exercise and upon notice to the Resulting Issuer, convert the balance, if any, of the outstanding principal amount of the Resulting Issuer Convertible Debentures, together with any accrued but unpaid interest, into Resulting Issuer Debenture Units at the Conversion Price (the **"Second Mandatory Conversion"**). If the holder of Resulting Issuer Convertible Debentures has not delivered an exercise notice to the Resulting Issuer of the Second Mandatory Conversion by the end of the Second Mandatory Conversion Period, then the remaining outstanding principal amount of the Resulting Issuer Convertible Debentures held by such holder, together with any accrued but unpaid interest, shall automatically be converted at the Conversion Price.

Notwithstanding the convertibility of the Resulting Issuer Convertible Debentures, no conversion of the principal amount, whether in whole or in part, will be permitted if the conversion would result in the holder having beneficial ownership of, or control or direction over, whether direct or indirect, or any combination thereof, equal to or more than 10% of the Resulting Issuer Shares, such amount taking into account any Resulting Issuer Shares issuable pursuant to any other convertible securities beneficially owned, controlled or directed by the holder on a post-conversion basis. Any principal amount prohibited from converting in accordance with the above will continue to be repayable in accordance with the terms of the Resulting Issuer Convertible Debentures.

No outstanding interest on the Resulting Issuer Convertible Debentures will be repaid by way of the issuance of Resulting Issuer Shares if it would result in the holder beneficially owning, controlling or directing, equal to or more than 10% of the Resulting Issuer Shares, such amount

taking into account any Resulting Issuer Shares issuable pursuant to any convertible securities beneficially owned, controlled or directed by the holder on a post-conversion basis.

3.2 Significant and Probable Acquisitions and Dispositions

Section 3.2 of CSE - Form 2A is not applicable to the Resulting Issuer.

3.3 Trends, Commitments, Events or Uncertainties

The commercial medical marijuana industry in the State of Florida is a relatively new industry and the Resulting Issuer anticipates that regulations applicable to it will be subject to change. As the Resulting Issuer carries on the operations of CannCure, the Resulting Issuer's operations are subject to a variety of laws, regulations, guidelines and policies relating to the manufacture, import, export, management, packaging/labelling, advertising, sale, transportation, distribution, storage and disposal of the product candidates but also including laws and regulations relating to drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. Any changes to such laws and regulations including any applicable guidelines and policies may have an adverse material effect on the Resulting Issuer's operations and prospects.

In accordance with Staff Notice 51-352, below is a discussion of the federal and state-level U.S. regulatory regimes in those jurisdictions where the Resulting Issuer is involved, directly or indirectly, in the U.S. marijuana industry. The Resulting Issuer and the Subsidiaries carry on the business conducted by CannCure prior to the completion of the RTO Transaction, being the cultivation, processing and dispensing of medical cannabis in the State of Florida. In accordance with Staff Notice 51-352, the Resulting Issuer will evaluate, monitor and reassess this disclosure, and any related risks, on an ongoing basis and the same will be supplemented, amended and communicated to investors in public filings, including in the event of government policy changes or the introduction of new or amended guidance, laws or regulations regarding marijuana regulation. Any non-compliance, citations or notices of violation which may impact the Issuer's license, business activities or operations will be promptly disclosed by the Resulting Issuer.

Regulation of Cannabis in the United States Federally

The United States federal government regulates drugs through the CSA, which places controlled substances, including cannabis, in a schedule based on their approved medical use and potential for abuse. Cannabis is classified as a Schedule I controlled substance. The CSA explicitly prohibits the manufacturing, distribution, selling and possession of cannabis and cannabis derived products as a consequence of its Schedule I classification. Classification of substances under the CSA is determined jointly by the U.S. Drug Enforcement Agency and the U.S. Food and Drug Administration. The DOJ defines Schedule I drugs and substances as drugs with no currently accepted medical use, a high potential for abuse and a lack of accepted safety for use under medical supervision. The FDA has not approved marijuana as a safe and effective drug for any condition. Although the use of cannabis remains federally illegal, some of its derivative compounds have been approved by the FDA for prescription use.

Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical and recreational cannabis under the *Cannabis Act (Canada)* and the *Cannabis Regulations*, marijuana is largely regulated at the state level in the United States.

As of the date of this Listing Statement, 33 U.S. states, Washington D.C. and the territories of Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands have legalized the cultivation and sale of full-strength cannabis for medical uses. In addition, Alaska, California, Colorado, Illinois, Maine, Massachusetts, Michigan, Nevada, Oregon, Vermont, and Washington the sale and possession of cannabis has been legalized for both medical and recreational use of cannabis. Washington D.C has legalized recreational use of cannabis, but has not legalized commercial sales for recreational purposes. Fourteen states have also enacted low-THC/high-CBD only laws for medical cannabis patients.

State laws that permit and regulate the production, distribution, and use of cannabis for medical or recreational purposes are in direct conflict with the federal CSA, which makes the use and possession of cannabis federally illegal. Although certain states and territories of the U.S. authorize medical or recreational cannabis production and distribution by licensed or registered entities, under U.S. federal law, the possession, use, cultivation and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts under any and all circumstances under the CSA. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply. Although the Resulting Issuer's activities are believed to be compliant with applicable state and local laws, strict compliance with state and local laws with respect to cannabis may neither absolve the Resulting Issuer of liability under United States federal law, nor may it provide a defense to any federal proceeding which may be brought against the Resulting Issuer.

The prior U.S. administration attempted to address the inconsistencies between federal and state regulation of cannabis in August 2013 in a memorandum which then-Deputy Attorney General James Cole sent to all U.S. attorneys with the Offices of United States Attorneys (the "**Cole Memorandum**") outlining certain priorities for the DOJ relating to the prosecution of cannabis offenses. The Cole Memorandum noted that in jurisdictions that have enacted laws legalizing cannabis in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, processing, distribution, sale and possession of cannabis, conduct in compliance with those laws and regulations is less likely to be a priority at the federal level. The DOJ did not provide (and has not provided since) specific guidelines for what regulatory and enforcement systems would be deemed sufficient under the Cole Memorandum. In light of limited investigative and prosecutorial resources, the Cole Memorandum concluded that the DOJ should be focused on addressing only the most significant threats related to cannabis.

On January 4, 2018, then-U.S. Attorney General Jeff Sessions formally issued a new memorandum (the "**Sessions Memorandum**"), which rescinded the Cole Memorandum. The Sessions Memorandum stated, in part, that current law reflects "Congress' determination that cannabis is a dangerous drug and cannabis activity is a serious crime", and Mr. Sessions directed all U.S. Attorneys to enforce the laws enacted by Congress by following well-established principles when pursuing prosecutions related to cannabis activities. As a result of the Sessions Memorandum, federal prosecutors are now free to utilize their investigative and prosecutorial discretion to decide whether to prosecute cannabis activities despite the existence of State-level laws that may be inconsistent with federal prohibitions. The Sessions Memorandum provided no direction to federal prosecutors as to the priority they should ascribe to such cannabis activities, and as a result, it is uncertain how active U.S. federal prosecutors will be in relation to such activities. There can be no assurance that the federal government will not enforce federal laws relating to cannabis in the future.

Additionally, under United States federal law, it may potentially be a violation of federal money laundering statutes for financial institutions to take any proceeds from the sale of cannabis or any other Schedule I controlled substance. Canadian banks are likewise hesitant to deal with cannabis companies, due to the uncertain legal and regulatory framework of the industry. Banks and other financial institutions, particularly those that are federally chartered in the United States, could be prosecuted and possibly convicted of money laundering for providing services to cannabis businesses. While Congress is considering legislation that may address these issues, there can be no assurance of the content of any proposed legislation or that such legislation is ever passed.

Despite these laws, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("**FinCEN**") issued a memorandum on February 14, 2014 (the "**FinCEN Memorandum**") outlining the pathways for financial institutions to bank state-sanctioned cannabis businesses in compliance with federal enforcement priorities. The FinCEN Memorandum echoed the enforcement priorities of the Cole Memorandum and states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. Under these guidelines, financial institutions must submit a Suspicious Activity Report ("**SAR**") in connection with all cannabis-related banking activities by any client of such financial institution, in accordance with federal money laundering laws. These cannabis-related SARs are divided into three categories – cannabis limited, cannabis priority, and cannabis terminated – based on the financial institution's belief that the business in question follows state law, is operating outside of compliance with state law, or where the banking relationship has been terminated, respectively. On the same day that the FinCEN Memorandum was published, the DOJ issued a memorandum (the "**2014 Cole Memorandum**") directing prosecutors to apply the enforcement priorities of the Cole Memorandum in determining whether to charge individuals or institutions with crimes related to financial transactions involving the proceeds of cannabis-related conduct. The 2014 Cole Memorandum was rescinded as of January 4, 2018, along with the Cole Memorandum, removing guidance that enforcement of applicable financial crimes legislation against state-compliant actors was not a DOJ priority.

However, former Attorney General Sessions' revocation of the Cole Memorandum and the 2014 Cole Memorandum has not affected the status of the FinCEN Memorandum, nor has the Department of the Treasury given any indication that it intends to rescind the FinCEN Memorandum itself. Though it was originally intended for the 2014 Cole Memorandum and the FinCEN Memorandum to work in tandem, the FinCEN Memorandum is a standalone document which explicitly lists the eight enforcement priorities originally cited in the Cole Memorandum. As such, the FinCEN Memorandum remains intact, indicating that the Department of the Treasury and FinCEN intend to continue abiding by its guidance. However, in the United States, it is difficult for cannabis-based businesses to open and maintain a bank account with any bank or other financial institution.

Although the Cole Memorandum has been rescinded, one legislative safeguard for the medical cannabis industry remains in place. Congress adopted a so-called "rider" provision to the fiscal years 2015, 2016, 2017, and 2018, 2019 and 2020 Consolidated Appropriations Acts (referred to as the "**Rohrabacher/Blumenauer Amendment**") to prevent the U.S. federal government from using congressionally appropriated funds to enforce federal cannabis laws against regulated medical cannabis actors operating in compliance with state and local law. The Rohrabacher/Blumenauer Amendment was included in the consolidated appropriations bill signed into legislation by President Trump in December 2019 and will remain in effect until September 30, 2020. In signing the Act, President Trump issued a signing statement noting that the Act

“provides that the Department of Justice may not use any funds to prevent implementation of medical marijuana laws by various States and territories,” and further stating “I will treat this provision consistent with the President’s constitutional responsibility to faithfully execute the laws of the United States.” While the signing statement can fairly be read to mean that the executive branch intends to enforce the CSA and other federal laws prohibiting the sale and possession of medical marijuana, the president did issue a similar signing statement in 2017 and no major federal enforcement actions followed. At such time, it may or may not be included in the omnibus appropriations package or a continuing budget resolution once the current continuing resolution expires.

The Cole Memorandum and the Rohrabacher/Blumenauer Amendment gave medical cannabis operators and investors in states with legal regimes greater certainty regarding enforcement of federal laws in those states. While the Sessions Memorandum has introduced some uncertainty regarding federal enforcement, the cannabis industry continues to experience growth in legal medical and adult-use markets across the U.S. On November 7, 2018, U.S. Attorney General Jeff Sessions resigned. On February 14, 2019, William Barr was confirmed as U.S. Attorney General. It is unclear what impact this development will have on U.S. federal government enforcement policy. However, in a written response to questions from U.S. Senator Cory Booker made as a nominee, Attorney General Barr stated “I do not intend to go after parties who have complied with state law in reliance on the Cole Memo.” Nonetheless, there is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Unless and until the United States Congress amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current U.S. federal law.

Additionally, the Strengthening the Tenth Amendment Through Entrusting States Act (the “**STATES Act**”) was introduced in the U.S. Senate on June 7, 2018 by Senators Cory Gardner (R-CO) and Elizabeth Warren (D-MA). A companion bill was introduced the same day in the U.S. House of Representatives, sponsored by Representatives Earl Blumenauer and David Joyce. The STATES Act, if passed and signed into law, would amend the CSA to exempt from federal enforcement individuals and corporations in states which are in compliance with U.S. state, U.S. territory and the District of Columbia, or tribal law on cannabis, with certain additional provisions such as minimum ages. The STATES Act was reintroduced on April 4, 2019 in both the U.S. House of Representatives and the U.S. Senate.

The Secure and Fair Enforcement Banking Act (the “**SAFE Act**”) was introduced in the U.S. House of Representatives on March 7, 2019 and is proposed legislation regarding the disposition of funds gained through the cannabis industry in the United States. The SAFE Act, if passed and signed into law, would operate to provide a safe harbor to banks who wish to serve the cannabis marketplace. The bill was passed by the House of Representatives on September 25, 2019. There are more than 1400 cannabis-related bills moving through state legislatures and Congress for the 2020 sessions.

The risk of federal enforcement and other risks associated with the Resulting Issuer’s business are described in *Section 17 – Risk Factors*.

Florida

Florida Regulatory Landscape

On June 16, 2014, the Florida state governor signed Senate Bill 1030, also known as the Compassionate Medical Cannabis Act of 2014 (the “**CMCA**”), which was the first legal medical cannabis program in the State’s history. The CMCA legalized low-THC for medical patients suffering from cancer or “a physical medical condition that chronically produces symptoms of seizures”, such as epilepsy, “or severe and persistent muscle spasms”. The CMCA required physician approval and determination that no other satisfactory alternative treatment options exist for that patient. The CMCA also authorized medical centers to conduct research on low THC cannabis.

On November 8, 2016, Amendment 2 was added to Florida’s state constitution. Amendment 2 protects qualifying patients, caregivers, physicians, and medical cannabis dispensaries and their staff from criminal prosecution or civil sanctions under Florida law. Pursuant to Amendment 2, qualified patients who have been diagnosed with debilitating medical conditions and have been evaluated by a qualified physician may be prescribed medical marijuana. Amendment 2 also expanded the definition of debilitating diseases to include 12 conditions including HIV/AIDS, Crohn’s disease, post-traumatic stress disorder and any medical condition that the physician believes will benefit from the use of medical marijuana. Amendment 2 became effective on January 3, 2017. Amendment 2 provides a regulatory framework that requires licensed producers, which are statutorily defined as Medical Marijuana Treatment Centers, to cultivate, process and dispense medical cannabis in a vertically integrated marketplace.

On June 9, 2017, the Florida House of Representatives and Florida Senate each passed legislation to implement the expanded program by replacing large portions of the existing Compassionate Use Act, which officially became law on June 23, 2017.

The Florida Department of Health, Office of Medical Marijuana Use, is the organization responsible for the regulation of Florida’s medical cannabis program. Specifically, the OMMU writes and implements the Department’s rules for medical marijuana, oversees the statewide medical marijuana patient database, and licenses Florida businesses to cultivate, process and dispense medical marijuana to qualified patients.

Issuer Licenses in Florida

One Plant Florida is the holder of a vertically-integrated MMTC license issued by the Florida Department of Health, Office of Medical Marijuana Use, pursuant to Florida Statutes section 381.986. One Plant Florida was registered as an MMTC in the State of Florida on July 31, 2017. One Plant Florida’s MMTC license grants it the right to cultivate, process and dispense medical cannabis and medical cannabis products throughout the state of Florida, to operate licensed dispensaries in the State of Florida and to effectuate statewide delivery of medical cannabis and medical cannabis products and related approved activities.

On January 2, 2018, One Plant Florida received approval from the OMMU to begin cultivating medical cannabis at its cultivation facility located at the Ruskin Facility. On March 29, 2019 and April 9, 2020 respectively, One Plant Florida received approval from the OMMU to process and cultivate medical cannabis at the Indiantown Facility.

Florida Licenses and Regulations

Cannabis is illegal in Florida for recreational use. However, medical use of cannabis in Florida was legalized in 2016 by way of a constitutional amendment appearing on the ballot as Amendment 2, which was approved with 71% of the vote. The State of Florida Statutes 381.986(8)(a) provides a regulatory framework that requires licensed producers, statutorily defined as MMTCs, to cultivate, process and dispense medical cannabis in a vertically integrated marketplace. Only licensed MMTCs can sell and dispense medical marijuana; medical marijuana may not be purchased from any vendor other than a MMTC. MMTC licenses are issued by the OMMU. Applicants for licenses are required to provide comprehensive business plans with demonstrated knowledge and experience on execution, detailed facility plans, forecasted performance and robust financial resources. The applicant's technical ability on plant and medical cannabis cultivation, infrastructure, processing, dispensing and safety are also assessed. Each MMTC must receive authorization at three stages, (i) cultivation authorization, (ii) processing authorization and (iii) dispensing authorization, prior to dispensing medical marijuana.

License holders are only permitted to hold one MMTC license pursuant to the State of Florida Statutes. However, each license allows for the cultivation, processing and dispensing of medical cannabis products. Originally, each MMTC was permitted to open up to 25 dispensaries statewide. However, with each additional 100,000 patients that registered for the program, the dispensary cap for each MMTC increased by five dispensaries. On April 1, 2020, the cap on the number of dispensaries that could be opened and operated by a license holder expired. As of June 5, 2020, there were 345,273 qualified patients with an approved medical ID card, 22 approved MMTCs and 250 approved retail dispensing locations.

Each licensee is required to cultivate, process and dispense medical cannabis. The license permits the sale of derivative products produced from extracted cannabis plant oil as medical cannabis to qualified patients to treat certain medical conditions in the State of Florida, which conditions are delineated in Florida Statutes section 386.981.

On March 18, 2019, Florida Governor Ron DeSantis signed Florida Senate Bill 182 (2019) ("**SB 182**") into law, repealing the previous ban on smoking medical cannabis. SB 182 also allows patients to receive up to 2.5 ounces of whole flower cannabis every 35 days as recommended by their doctor and requires patients under the age of 18 to have a terminal condition and to get a second opinion from a pediatrician before smoking medical cannabis. On April 1, 2019, the State legalized the dispensing of whole flower cannabis products and pre-rolled cannabis joints.

Under its license, One Plant Florida is permitted to sell cannabis to those patients who are entered into Florida's electronic medical marijuana use registry by a qualified physician and possess a state-issued medical marijuana identification card. The physician determines patient eligibility as well as the routes of administration (e.g. topical, oral, inhalation) and number of milligrams per day a patient is able to obtain under the program. The physician may order a certification for up to three 70-day supply limits of marijuana, following which the certification expires and a new certification must be issued by a physician. The number of milligrams dispensed, the category of cannabis (either low-THC or medical cannabis) and whether a delivery device such as a vaporizer has been authorized is all recorded in the registry for each patient transaction.

Licenses issued by the OMMU may be renewed biennially so long as the licensee meets requirements of Florida Statute 381.986 and pays a renewal fee. One Plant Florida timely submitted its biennial renewal on February 28, 2020, which was approved by the OMMU on June

2, 2020. Applicants must demonstrate (and licensed MMTCs must maintain) that: (i) they have been registered to do business in the State of Florida for the previous five years, (ii) they possess a valid certificate of registration issued by the Florida Department of Agriculture & Consumer Services, (iii) they have the technical and technological ability to cultivate and produce cannabis, including, but not limited to, low-THC cannabis, (iv) they have the ability to secure the premises, resources, and personnel necessary to operate as an MMTC, (v) they have the ability to maintain accountability of all raw materials, finished products, and any by-products to prevent diversion or unlawful access to or possession of these substances, (vi) they have an infrastructure reasonably located to dispense cannabis to registered qualified patients statewide or regionally as determined by the OMMU, (vii) they have the financial ability to maintain operations for the duration of the two-year approval cycle, and must provide certified financial statements to the Department, (viii) all owners, officers, board members and managers have passed a Level II background screening, inclusive of fingerprinting, and ensure that a medical director is employed to supervise the activities of the MMTC, and (ix) they have a diversity plan and veterans plan accompanied by a contractual process for establishing business relationships with veterans and minority contractors and/or employees. Upon approval of the application by the OMMU, the applicant must post a performance bond of up to \$5 million, which may be reduced by meeting certain criteria such as a minimum patient count.

Florida Reporting Requirements

The OMMU requires that any licensee establish, maintain, and control a computer software tracking system that traces cannabis from seed to sale and allows real-time, 24-hour access to data by the OMMU. The tracking system must allow for integration of other seed-to-sale systems and, at a minimum, include notification of certain events, including when marijuana seeds are planted, when marijuana plants are harvested and destroyed, and when cannabis is transported, sold, stolen, diverted, or lost. Each MMTC is required to use the seed-to-sale tracking system established by the OMMU or integrate its own seed-to-sale tracking system with the seed-to-sale tracking system established by the OMMU. The OMMU also maintains a patient and physician registry and the licensee must comply with all requirements and regulations relative to providing required data or proof of key events to said system. The State of Florida requires all MMTCs to abide by representations made in their original application to the State of Florida. Any changes or expansions must be requested pursuant to and in accordance with a variance process.

Florida Security and Transportation

With respect to security requirements for cultivation, processing and dispensing facilities, a MMTC must maintain a fully operational security alarm system that secures all entry points and perimeter windows, and is equipped with motion detectors, pressure switches, duress, panic and hold-up alarms. The MMTC must also have a 24-hour video surveillance system with the following features: (a) cameras positioned for the clear identification of persons and activities in controlled areas including growing, processing, storage, disposal and point-of-sale rooms, (b) cameras fixed on entrances and exits to the premises, which shall record from both indoor and outdoor, or ingress and egress, vantage points, and (c) ability to record images clearly and accurately together with the time and date. Facilities may not display products or dispense cannabis or cannabis delivery devices in the waiting area and may not dispense cannabis from its premises between the hours of 9:00 p.m. and 7:00 a.m. However, it may perform all other operations and deliver cannabis to qualified patients 24 hours a day.

Cannabis must be stored in a secured, locked room or a vault. A MMTC must have at least two employees, or two employees of a security agency, on the premises at all times where cultivation, processing, or storing of cannabis occurs. A cannabis transportation manifest must be maintained in any vehicle transporting cannabis or a cannabis delivery device. The manifest must be generated from the MMTC's seed-to-sale tracking system. The manifest must include the following information: (i) departure date and time; (ii) name, address and license number of the originating MMTC; (iii) name and address of the receiving entity; (iv) the quantity, form and delivery device of the cannabis; (v) arrival date and time; (vi) the make, model and license plate of the delivery vehicle; and (vii) the name and signatures of the MMTC delivery employees. Further, a copy of the transportation manifest must be provided to the MMTC when receiving a delivery. Each MMTC must retain copies of all cannabis transportation manifests for at least three years. Cannabis and cannabis delivery devices must be locked in a separate compartment or container within the vehicle and employees transporting cannabis or cannabis delivery devices must always have their employee identification on their person. Lastly, at least two people must be in a vehicle transporting cannabis, and at least one person must remain in the vehicle while the cannabis is physically delivered.

Florida Inspections

The OMMU may conduct announced or unannounced inspections of MMTCs to assess compliance with applicable laws and regulations. The OMMU is required to inspect a MMTC upon receiving a complaint or notice that the MMTC has dispensed cannabis containing mold, bacteria, or other contaminants that have caused or which may cause an adverse effect to humans or the environment. The OMMU is required to conduct at least a biennial inspection of each MMTC to evaluate the MMTC's records, personnel, equipment, security, sanitation practices, and quality assurance practices.

Issuers with U.S. Marijuana-Related Activities – Reporting Obligations

On February 8, 2018, the Canadian Securities Administrators issued Staff Notice 51-352 (Revised) - *Issuers with U.S. Marijuana-Related Activities* which provides specific disclosure expectations for issuers with U.S. Marijuana-Related Activities. All issuers with U.S. cannabis-related activities are expected to clearly and prominently disclose certain prescribed information in prospectus filings and other required disclosure documents, such as this Listing Statement. In accordance with the Staff Notice 51-352, below is a table of concordance that is intended to assist readers in identifying those parts of this Listing Statement that address the disclosure expectations outlined in Staff Notice 51-352.

Industry Involvement	Specific Disclosure Necessary to Fairly Present all Material Facts, Risks and Uncertainties	Listing Statement Cross Reference
All Issuers with U.S. Marijuana-Related Activities	Describe the nature of the issuer's involvement in the U.S. marijuana industry and include the disclosures indicated for at least one of the direct, indirect and ancillary industry involvement types noted in this table.	<p><i>Section 3.1 – "General Development of the Business of CannCure"</i></p> <p><i>Section 4 – "Narrative Description of the Business"</i></p>

Industry Involvement	Specific Disclosure Necessary to Fairly Present all Material Facts, Risks and Uncertainties	Listing Statement Cross Reference
	<p>Prominently state that marijuana is illegal under U.S. federal law and that enforcement of relevant laws is a significant risk.</p>	<p><i>Cover page disclosure</i></p> <p><i>Section 3.3 – “Trends, Commitments, Events, or Uncertainties”</i></p> <p><i>Section 17 – “Risk Factors” – Cannabis Remains Illegal Under U.S. Federal Law</i></p> <p><i>Section 17 – “Risk Factors” – Federal Regulation of Cannabis in the United States</i></p> <p><i>Section 17 – “Risk Factors” – Nature of Business Model</i></p>
	<p>Discuss any statements and other available guidance made by federal authorities or prosecutors regarding the risk of enforcement action in any jurisdiction where the issuer conducts U.S. marijuana-related activities.</p>	<p><i>Cover page disclosure</i></p> <p><i>Section 3.3 – “Trends, Commitments, Events, or Uncertainties”</i></p> <p><i>Section 17 – “Risk Factors” – Federal Regulation of Cannabis in the United States</i></p> <p><i>Section 17 – “Risk Factors” – Banking Uncertainty</i></p>
	<p>Outline related risks including, among others, the risk that third-party service providers could suspend or withdraw services and the risk that regulatory bodies could impose certain restrictions on the issuer’s ability to operate in the U.S.</p>	<p><i>Cover page disclosure</i></p> <p><i>Section 17 – “Risk Factors” – Cannabis Remains Illegal Under U.S. Federal Law</i></p> <p><i>Section 17 – “Risk Factors” – Federal Regulation of Cannabis in the United States</i></p> <p><i>Section 17 – “Risk Factors” – U.S. State Regulatory Uncertainty</i></p> <p><i>Section 17 – “Risk Factors” – Risk of Legal, Regulatory or Political Change</i></p> <p><i>Section 17 – “Risk Factors” – Heightened Scrutiny by Canadian Authorities</i></p> <p><i>Section 17 – “Risk Factors” – Regulatory Scrutiny of the Issuer’s interests in the United States</i></p> <p><i>Section 17 – “Risk Factors” – Nature of Business Model</i></p> <p><i>Section 17 – “Risk Factors” – State Licensing</i></p> <p><i>Section 17 – “Risk Factors” – Federal and State Forfeiture Laws</i></p> <p><i>Section 17 – “Risk Factors” – Regulatory Action and Approvals from the Food and Drug Administration</i></p> <p><i>Section 17 – “Risk Factors” – Enforceability of Contracts</i></p> <p><i>Section 17 – “Risk Factors” – U.S. Travel Bans</i></p> <p><i>Section 17 – “Risk Factors” – Banking Uncertainty</i></p> <p><i>Section 17 – “Risk Factors” – Service Providers</i></p> <p><i>Section 17 – “Risk Factors” – Constraints on Marketing Products</i></p> <p><i>Section 17 – “Risk Factors” – Protection of the Resulting Issuer’s Intellectual Property</i></p> <p><i>Section 17 – “Risk Factors” – Regulatory and Licensing Risks</i></p> <p><i>Section 17 – “Risk Factors” – Reliance on Regulatory Approval</i></p>

Industry Involvement	Specific Disclosure Necessary to Fairly Present all Material Facts, Risks and Uncertainties	Listing Statement Cross Reference
	<p>Given the illegality of marijuana under U.S. federal law, discuss the issuer's ability to access both public and private capital and indicate what financing options are / are not available in order to support continuing operations.</p>	<p><i>Section 4 – "Narrative Description of the Business"</i></p> <p><i>Section 17 – "Risk Factors" – Banking Uncertainty</i></p> <p><i>Section 17 – "Risk Factors" – Risks Related to Additional Financing</i></p>
	<p>Quantify the issuer's balance sheet and operating statement exposure to U.S. marijuana-related activities.</p>	<p><i>Section 3.1 – "General Development of the Business"</i></p> <p><i>Section 5.1 – "Selected Consolidated Financial Information"</i></p> <p><i>Schedule A – Consolidated unaudited pro forma financial statements of the Resulting Issuer as at December 31, 2019</i></p> <p>The Resulting Issuer is expected to operate exclusively in the United States and all of the Resulting Issuer's business and revenues will be derived directly from U.S. Marijuana-Related Activities. As such, the Resulting Issuer's balance sheet and operating statement are fully exposed to U.S. Marijuana-Related Activities.</p>
	<p>Disclose if legal advice has not been obtained, either in the form of a legal opinion or otherwise, regarding (a) compliance with applicable state regulatory frameworks and (b) potential exposure and implications arising from U.S. federal law.</p>	<p><i>Section 4 – "Narrative Description of the Business"</i></p> <p>One Plant Florida has received and continues to receive legal advice regarding (a) compliance with applicable state regulatory frameworks and (b) potential exposure and implications arising from U.S. federal law.</p>
<p>U.S. Marijuana Issuers with direct involvement in cultivation or distribution</p>	<p>Outline the regulations for U.S. states in which the issuer operates and confirm how the issuer complies with applicable licensing requirements and the regulatory framework enacted by the applicable U.S. state.</p>	<p><i>Section 3.3 – "Trends, Commitments, Events, or Uncertainties"</i></p> <p><i>Section 4 – "Narrative Description of the Business"</i></p>
	<p>Discuss the issuer's program for monitoring compliance with U.S. state law on an ongoing basis, outline internal compliance procedures and provide a positive statement indicating that the issuer is in compliance with U.S. state law and the related licensing framework. Promptly disclose any non-compliance, citations or notices of violation which may have an impact on the issuer's license, business activities or operations.</p>	<p><i>Section 3.3 – "Trends, Commitments, Events, or Uncertainties"</i></p> <p><i>Section 4 – "Narrative Description of the Business"</i></p> <p><i>Section 17 – "Risk Factors" – Cannabis Remains Illegal Under U.S. Federal Law</i></p> <p><i>Section 17 – "Risk Factors" – U.S. State Regulatory Uncertainty</i></p> <p><i>Section 17 – "Risk Factors" – Risk of Legal, Regulatory or Political Change</i></p> <p><i>Section 17 – "Risk Factors" – State Licensing</i></p> <p>One Plant Florida is in compliance with Florida state law and the related licensing framework. One Plant Florida will promptly disclose any non-compliance, citations or notices of violation which may have an impact on the Resulting Issuer's licenses, business activities or operations.</p>

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 Narrative Description of the Business

Business of the Resulting Issuer

Following the Closing Date, the Resulting Issuer began carrying on the business of CannCure prior to the completion of the RTO Transaction, being that of a licensed, vertically-integrated medical cannabis enterprise in the State of Florida.

One Plant Florida is the indirect wholly-owned subsidiary of the Resulting Issuer through which the Resulting Issuer's medical cannabis operations are conducted in the State of Florida. For further information on the regulations applicable to medical cannabis businesses in the State of Florida see *Section 3.3 – Trends, Commitments, Events and Uncertainties – Florida*. The business of One Plant Florida is to cultivate, process, dispense and retail high-quality and effective medical cannabis to qualified patients. The Resulting Issuer's management and operations team brings broad operational, management, agriculture, banking, finance, legal, sales and regulatory experience.

The Resulting Issuer's business is subject to a number of significant risks. Shareholders should carefully consider each of such risks and all of the information in this Listing Statement regarding the RTO Transaction and the proposed listing on the CSE. The success of the Resulting Issuer's business will depend on, among other things, the expertise, ability, judgment, discretion, integrity and good faith of its management. For a full description of the risk factors applicable to the Resulting Issuer and its business, see *Section 17 – Risk Factors* in this Listing Statement.

The RTO Transaction was an arm's length transaction. None of the directors, officers or promoters of the Resulting Issuer, nor any of their respective associates and affiliates, had any interest in the RTO Transaction (other than as holders of Resulting Issuer securities or as recipients of securities pursuant to Security Based Compensation Arrangements) nor did they receive any consideration from the Resulting Issuer in connection therewith.

Summary of the Resulting Issuer's Operations

The Resulting Issuer indirectly owns One Plant Florida, which conducts licensed operations to cultivate, process and dispense medical cannabis in the State of Florida in accordance with Florida state law. One Plant Florida is one of the original 14 vertically-integrated and licensed MMTCs in Florida that operate from "seed to sale" pursuant to Florida Statutes section 381.986. One Plant Florida's MMTC license was originally granted on July 31, 2017.

One Plant Florida's operations began at the eight acre farm at the Ruskin Facility, which received OMMU approval to begin cultivating medical cannabis on January 2, 2018. One Plant Florida has a fully operational, GMP and GAP-certified greenhouse cultivation facility at the Ruskin Facility that has a total canopy size of approximately 24,000 square feet, as well as harvest and post-harvesting cure facilities. Monthly output from the Ruskin Facility is approximately 325 pounds of cannabis flower per month. One Plant Florida began renovations at the Ruskin Facility on April 1, 2019 in order to: (i) install full air conditioning systems for the greenhouses; (ii) install clean walls to divide each 6,000 square foot greenhouse room into two separate 3,000 square foot greenhouse rooms; (iii) install new lighting and electrical upgrades; (iv) install a new well; and (v)

construct a temperature and humidity-controlled cure and processing room. All such renovations and upgrades to the Ruskin Facility were subsequently completed.

One Plant Florida also owns and operates the Indiantown Facility, another cultivation, processing and manufacturing facility located on a thirty-three (33) acre parcel of land in Indiantown, Florida. On March 29, 2019, One Plant Florida received OMMU approval to process medical cannabis at the Indiantown Facility and began operating a 2,500 square foot processing, extraction and distillation laboratory to create THC and low-THC distillates and oils, as well as cannabis flower (sold in varying sizes from one-eighth of an ounce to full ounce) and pre-rolled cannabis flower joints (0.5 gram and 1 gram units, respectively).

One Plant Florida also constructed and received all necessary approvals and authorizations for its 54,000 square foot Nexus Greenhouse facility at the Indiantown Facility, which commenced cultivation operations on April 10, 2020, following receipt of approval from the OMMU. The Greenhouse utilizes modern, state-of-the-art agricultural technology combined with a high-yield growing approach to produce indoor-style cultivated flower with less demand on energy resources. The Greenhouse was designed to include ten (10) separate cultivation rooms and will employ separate heating and cooling systems for each room, shade control and light deprivation systems, state-of-the-art automation, and irrigation and fertigation systems, all to enhance One Plant Florida's continued production of high-quality cannabis flower. One Plant Florida expects that the Greenhouse will yield a harvest of 9,000 pounds of medical cannabis in 2020 and 14,400 pounds of medical cannabis in 2021.

One Plant Florida intends to expand the Indiantown Facility by constructing a new, state-of-the-art 88,327 square foot indoor facility that will be used for cultivation, processing and manufacturing, and for lab and kitchen operations. The new indoor facility will be located on One Plant Florida's existing Indiantown, Florida property, directly adjacent to the Greenhouse. The expansion of the Indiantown Facility will provide: (i) a tilt wall building for the indoor growing, trimming and curing of medical cannabis; (ii) a kitchen lab for manufacturing edible products; (iii) a lab for distillate manufacturing; (iv) production, trim and packaging areas; and (v) a shipping and receiving area for distribution to delivery hubs throughout the State of Florida. The total cost of the construction and development of the expansion of the Indiantown Facility is expected to be between \$18 million and \$20 million and will be funded, in part, with the proceeds of the Construction Loan. The indoor facility will include individual flowering rooms, post-harvest processing rooms, advanced curing rooms, and storage and administrative space. One Plant Florida anticipates that the expansion of the Indiantown Facility will be in operation on or before April 1, 2021, subject to the receipt of all required regulatory approvals from the OMMU, as well as the completion of Good Manufacturing Practices certification. Once all facilities at the Indiantown Facility are fully operational, the facility is expected to produce approximately 15,000 pounds of cannabis per year.

In early July 2019, One Plant Florida commenced home deliveries throughout Florida with a fleet of 13 delivery vehicles. One Plant Florida plans to open a total of 15 retail dispensaries and/or dispensary hubs statewide by March 1, 2021, including its three current retail dispensaries located in Boynton Beach, Florida, Jacksonville Beach, Florida, and St. Petersburg, Florida. One Plant Florida anticipates that the cost of opening such retail dispensaries or dispensary hubs will total approximately \$3,500,000. One Plant Florida opened its first retail location in Boynton Beach, Florida on November 6, 2019, followed by its retail location in Jacksonville Beach, Florida on March 6, 2020, and its retail location in St. Petersburg, Florida on April 17, 2020, and intends to open seven (7) additional retail dispensaries and/or dispensary hubs by November 2020 (subject

to the receipt of all required approvals from the OMMU) in the following locations and order: (1) Port St. Lucie, Florida, (2) Ocala, Florida, (3) Orlando (Fern Park), Florida, (4) Avon Park, Florida, (5) North Miami, Florida, (6) Oakland Park, Florida, and (7) Pensacola, Florida. Additional locations are expected to open in South Florida, Southwest Florida and North Florida by the first quarter of 2021. All retail dispensaries and dispensary hubs are expected to carry a diversified range of cannabis and cannabis-related products including cannabis flower, pre-rolled cannabis flower joints, distillate products, solventless hash and concentrates, balms, tinctures and other cannabis-related products. One Plant Florida will continue its strategic focus on delivery of medical cannabis through its dispensary hubs and by increasing the number of delivery vans assigned to each location. One Plant Florida expects to provide 24-hour delivery timing throughout the State of Florida by the first quarter of 2021.

One Plant Florida maintains a comprehensive set of compliance procedures and protocols operating under the direction and supervision of Chris Polaszek (Chief Legal Officer and Corporate Secretary), Charles Bailey (Director of Inventory and Compliance), One Plant Florida's security and information technology service provider (Next Choice Advisors), and its outside counsel (The Lockwood Law Firm). One Plant Florida's facilities have security systems and teams in accordance with the requirements of Florida law. One Plant Florida conducts routine compliance and security checks and tests, tracks all of its products from seed to sale via its State-approved tracking system (BioTrak), and routinely updates its protocols and procedures as necessary and/or required by law. In addition, One Plant Florida has obtained and the Resulting Issuer will continue to obtain legal advice from local Florida legal counsel regarding compliance with local, state and federal laws and regulatory frameworks pertaining to U.S. Marijuana-Related Activities, and potential exposure to and implications arising from U.S. federal law.

One Plant / Florida	
Indiantown Facility	OPEN
Ruskin Facility	OPEN
Boynton Beach	OPEN
Jacksonville Beach	OPEN
St. Petersburg	OPEN
Port St. Lucie	Expected 2020
Ocala	Expected 2020
Orlando (Fern Park)	Expected 2020
Avon Park	Expected 2020
North Miami	Expected 2020
Oakland Park	Expected 2020
Pensacola	Expected 2020
Bonita Springs	Expected 2021
Fort Myers	Expected 2021
Ft. Lauderdale	Expected 2021
Clearwater	Expected 2021
Tallahassee	Expected 2021



Figure 1: One Plant Florida – Cultivation and Processing Facilities, Existing and Proposed Retail Dispensaries and Dispensary Hubs



Figure 2: Ruskin Facility – Bloom greenhouse.



Figure 3: A Mac1 plant in one of six bloom greenhouse rooms at the Ruskin Facility.



Figure 4: One of six bloom greenhouse rooms at the Ruskin Facility.



Figure 5: Bloom Room three of eight at the Indiantown Facility. Plants pictured include Chem4, Chemsis, Mac1, Giesel, Fish Whistle and Runtz.

Business Objectives

The Resulting Issuer, using available funds as described in this Listing Statement, plans to expand operations in the State of Florida. In the next 12 months, the Resulting Issuer plans to pursue growth in the followings ways:

Business Objective	Milestones	Anticipated Costs	Achievement Timeline
Scaling cultivation, dispensary and delivery operations throughout the State of Florida	<ul style="list-style-type: none"> Opening all 15 retail dispensaries or dispensary hubs, increasing delivery van capacity, and commencing full operations at the Greenhouse and indoor tilt-up cultivation, processing, lab and kitchen facility at the Indiantown Facility. Scaling operations at the Indiantown Facility to support expansion of delivery and retail operations. 	<p>The remaining costs of opening additional retail dispensaries and/or dispensaries hubs, commencing full operations at the Greenhouse and indoor facility at the Indiantown Facility are expected to be approximately \$5,300,000 in the aggregate, comprised of:</p> <p>(a) Approximate costs relating to the Greenhouse, opening retail dispensaries or dispensary hubs and delivery van capital expenditures: \$3,500,000; and</p> <p>(b) Approximate costs of construction of Indiantown Facility expansion: \$1,800,000.</p>	<p>Retail dispensaries and/or dispensary hubs to be completed by March 1, 2021.</p> <p>Indiantown Facility to be completed by April 1, 2021.</p>
Opening additional retail dispensaries or dispensary hubs in the State of Florida	<ul style="list-style-type: none"> Open the retail dispensaries or dispensary hubs planned for the next six-ten (6-10) locations in 2020, and increase delivery. 	Approximately, \$3,500,000.	By December 31, 2020.
Improving and maintaining the efficiency of operations	<ul style="list-style-type: none"> Maintain price per pound in excess of \$4,000/lb blended. By April 1, 2021, One Plant Florida will maintain a full delivery fleet of over 20 vans. Improving and maintaining the efficiency of operations will be an ongoing objective of the Resulting Issuer. 	<p>Approximate costs of maintaining a delivery fleet: \$300,000.</p> <p>Regular cash flows from operations will be reinvested into efficiency improvements.</p>	The Resulting Issuer will focus on a strategy of continuous improvement, with progress assessed at April 1, 2021.
Cultivating and dispensing the highest quality cannabis flower in the State of Florida	<ul style="list-style-type: none"> Emphasis on continuous incremental improvement, continually upgrading cannabis genetics, processes and procedures. 	Regular cash flows from operations will be reinvested into efficiency improvements.	Ongoing.

Business Objective	Milestones	Anticipated Costs	Achievement Timeline
Surpassing annual revenue and earnings targets, with a focus on earnings generation	<ul style="list-style-type: none"> • Increase market share by focusing on production and sale of premium cannabis flower and flower-derived products. • Expand product offerings to include increased amounts of distillate, concentrates, tinctures and balms 	Anticipated costs are included within the costs associated with <i>“Scaling cultivation, dispensary and delivery operations throughout the State of Florida”</i> .	By December 31, 2020.

Total Funds Available

Prior to the completion of the RTO Transaction, CannCure relied upon regular debt, convertible debt and equity financings to satisfy its capital requirements. The Resulting Issuer may require further capital to finance its growth moving forward.

The pro forma working capital position of the Resulting Issuer as of December 31, 2019, giving effect to the RTO Transaction as if it had been completed on that date, was approximately \$8,350,000 (excluding the Resulting Issuer Convertible Debentures, as they are convertible into equity securities of the Resulting Issuer, and right-of-use liabilities). This pro forma working capital reflects the combined working capital of Goldstream and CannCure as at December 31, 2019, including the RTO Transaction and related transactions discussed in further detail in the consolidated pro forma balance sheet of the Resulting Issuer, included in Schedule A attached hereto.

Principal Purposes of Funds

As of the Closing Date, the Resulting Issuer has approximately \$15,154,295 of funds available to conduct its business. The Resulting Issuer’s working capital has been calculated as the working capital from the consolidated pro forma balance sheet of the Resulting Issuer (included in Schedule A), excluding the Resulting Issuer Convertible Debentures (as they are convertible into equity securities of the Resulting Issuer), the derivative liability to be settled by issuance of warrants of the Resulting Issuer, the right-of-use liabilities (as they are factored into the uses of proceeds), and adding the \$12,000,000 undrawn portion of the Construction Loan, subject to the full repayment of the Bridge Loan. These funds will be used for the principal purposes of supporting ongoing mergers and acquisitions activities, capital expenditures and general corporate purposes. Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve its objectives. The Resulting Issuer may require additional funds in order to meet existing and any new business objectives and may either issue additional securities or incur additional debt to do so. There can be no assurance that, if required, additional financing will be available to the Resulting Issuer on terms that are acceptable to it, or at all. It is anticipated that the available funds will be sufficient to satisfy the Resulting Issuer’s business objectives for the forthcoming 12-

month period. The amounts shown in the table below are estimates only and are based on the information available to the Resulting Issuer as of the date of this Listing Statement.

Uses over the next 12-month period⁽¹⁾	Amount
Capital expenditures for cultivation and processing	\$1,800,000
Capital expenditures for retail dispensaries and/or dispensary hubs and the expansion of delivery	\$3,500,000
General and administrative expenses	\$6,500,000

(1) The Resulting Issuer expects to have positive cash flow from operations over the next 12 months to contribute to funding its ongoing operations

Ability to Access Public and Private Capital

Due to the present state of the laws and regulations governing financial institutions in the United States, banks often refuse to provide banking services to businesses involved in the cannabis industry. Consequently, the Resulting Issuer may not be able to obtain bank financing in the United States or financing from other federally regulated entities in the United States. Importantly, the Resulting Issuer has developed banking relationships with several state-chartered banks, and will use these banks to conduct day-to-day operations.

Prior to the completion of the RTO Transaction, CannCure had robust access to equity and debt financing from prospectus-exempt markets in the United States and Canada. Specifically: (i) between July and August, 2018, CannCure completed non-brokered private placements of 54,078,398 CannCure Common Shares and 3,525,000 Seed Units for aggregate gross proceeds of approximately \$41,202,734; (ii) between May 6, 2019 and July 25, 2019, CannCure completed the Unit Offering, issuing an aggregate of 15,520 Units on a non-brokered private placement basis for aggregate gross proceeds of \$15,520,000; (iii) on February 21, 2020, CannCure procured the Construction Loan from AFC for a maximum available principal amount of \$15,000,000 as amended and restated on April 17, 2020; and (iv) in connection with the completion of the RTO Transaction, on March 31, 2020, CannCure issued CannCure Convertible Debentures in the principal amount of \$16,711,000 on a non-brokered private placement basis. The Resulting Issuer's executive team and board of directors have extensive relationships with sources of private capital (such as funds and high net worth individuals).

The Resulting Issuer expects to generate adequate cash to fund its continuing operations from its retail dispensaries and delivery network. Nevertheless, there can be no assurance that the Resulting Issuer will not need additional capital or that additional financing will be available to the Resulting Issuer when needed or on terms which are acceptable to management. The Resulting Issuer's inability to raise financing it deems necessary to fund capital expenditures, acquisitions, or ongoing operating costs could limit its growth and may have a material effect upon future profitability. *See Item 17 – Risk Factors – Financing Risks – Risks Related to Additional Financing.*

Principal Products and Services

The Resulting Issuer will focus on cultivating, processing, dispensing and retailing the highest quality cannabis, cannabis derivative products and other branded products for the medical

cannabis market in Florida through One Plant Florida. One Plant Florida will leverage its experience, access to the best cannabis genetics and industry leading cultivation and processing team to grow and refine the highest quality cannabis products in multiple permitted formats, including: cannabis flower, pre-rolled cannabis flower joints, distillate products, solventless hash and concentrates, balms, tinctures and other cannabis-related products. One Plant Florida intends to sell as many product forms in its dispensaries and through its home delivery service as state regulations permit. The Florida cannabis industry is held to the highest growing, processing, and manufacturing requirements in the United States, including the same standards as the Global Food Safety Initiative. One Plant Florida maintains certifications in accordance with Good Agriculture Practices, Good Manufacturing Practices, and Hazard Analysis Critical Control Point.

One Plant Florida will operate as a licensed, vertically-integrated medical cannabis company in the State of Florida, managing the entire supply chain. One Plant Florida's operations will include cultivating cannabis flower, processing the flower into manufactured products, and selling the products to registered patients in accordance with applicable Florida state law. One Plant Florida will continue to sell and distribute cannabis and cannabis products via its retail dispensary locations and its statewide delivery fleet of vehicles. One Plant Florida has located its retail dispensaries and dispensary hubs in strategic geographic locations throughout Florida in order to provide efficient delivery to patients across the entire State of Florida (excluding areas west of Panama City Beach). Further, One Plant Florida has devoted significant resources in the way of technology and human capital with a focus on creating a best-in-class delivery system, including entering into an agreement with Next Choice Advisors for certain technology and monitoring of One Plant Florida's delivery services.

One Plant Florida will sell products under the One Plant, ChemD and G-Pen brands in Florida and will potentially expand and add additional brands and products in the future. Premium cannabis flower, pre-rolls, concentrates, balms, and tinctures will be sold under the One Plant brand. One Plant Florida will also sell distillate under the G-Pen brand pursuant to the G-Pen Agreement, which will allow for the sale of G-Pens. One Plant Florida will sell medical cannabis and related products to qualified patients in Florida through its retail dispensary locations, curbside delivery, and home delivery. One Plant Florida offers and provides its patients with a clean and authentic cannabis experience. All of the cannabis and cannabis products offered by One Plant Florida to patients are tested by third parties in order to ensure quality and compliance with applicable safety standards.

Production and Sales

One Plant Florida currently has two cultivation facilities in operation, the Ruskin Facility and the Indiantown Facility, totaling approximately 78,000 square feet. One Plant Florida's current production capacity is estimated at 19,000 pounds of dry flower per year. The expansion of the Indiantown Facility will allow One Plant Florida to expand its production capacity and capabilities to meet burgeoning patient demand in Florida. The State of Florida has the third largest population in the United States,¹ a limited number of MMTC licenses, and limited competition as a result of the extremely high barriers to entry into the legal medical marijuana industry in Florida.

One Plant Florida's Ruskin Facility and Indiantown Facility are able to extract an aggregate of 5,000 grams of cannabis oil per week.

¹ U.S. and World Population Clock. (2020, April 13). Retrieved from <https://www.census.gov/popclock/>.

Each One Plant Florida cultivation and processing facility primarily focuses on the commercialization of cannabis products, as well as the research and development of new strains of cannabis. At each of its facilities, One Plant Florida places a significant emphasis on patient safety and maintaining strict quality control. The methods used in One Plant Florida's facilities result in several advantages to the business, including consistent production of high-quality cannabis and the absence of product recalls and patient complaints. One Plant Florida's Ruskin Facility has been GMP and GAP certified.

One Plant Florida's primary sales channel is through its three retail dispensaries located in Boynton Beach, Florida, Jacksonville Beach, Florida and St. Petersburg, Florida. One Plant Florida also offers home delivery services across the State of Florida (excluding areas west of Panama City Beach), in compliance with all state regulations. One Plant Florida also offers customers the option to order online to pick-up in store. One Plant Florida aims to expand its e-commerce operations and delivery operations, where permitted, to offer convenient access for its customers and meet the demands of an evolving retail landscape.

Mortgages

The Construction Loan has been secured by, among other security interests, mortgages on the Indiantown Facility and the Ruskin Facility granted by Farm to Fresh Holdings LLC and One Plant Florida. As of the date of this Listing Statement, the mortgage remains in good standing. For further information on the Construction Loan, see *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Construction Loan*.

Intellectual Property

In addition to the One Plant License Agreement, One Plant Florida has entered into additional license and use agreements relating to intellectual property used in the business of One Plant Florida.



Figure 6: One Plant Florida has an exclusive, royalty-bearing, non-transferable, non-sublicensable (except that One Plant Florida is authorized to grant sublicenses to its affiliates), limited license to use certain intellectual property related to the One Plant Brand, including the above mark, in connection with the promotion, marketing, advertising and retail sale of cannabis in the State of Florida.



Figure 7: One Plant Florida has the exclusive right in the State of Florida to use, reproduce, combine with other works, and publish Chem Dog's trademarks and service marks as part of One Plant Florida's sales and marketing of products and services.

On August 20, 2019, One Plant Florida and GS Holistic entered into a product sales agreement (the "**G-Pen Agreement**"). The G-Pen Agreement has a one year term, which will be automatically renewed on the same terms and conditions. Pursuant to the G-Pen Agreement, One Plant Florida purchases vaporizer pens, related hardware and cartridges, including the G-Pen Gio Cartridge (collectively, "**G-Pens**") from GS Holistic, which are then filled with cannabis oil by One Plant Florida and resold in the State of Florida. The G-Pen Agreement grants One Plant Florida a limited, non-exclusive, non-transferable license to use GS Holistic's intellectual property in connection with the promotion, advertisement, marketing and sale of the G-Pens in the State of Florida.

On August 27, 2019, One Plant Florida and Chem Dog entered into a use and services agreement (the "**Chem Dog Agreement**"), which gives One Plant Florida the exclusive right in the State of Florida to use, reproduce, combine with other works, and publish Chem Dog's trademarks and service marks as part of One Plant Florida's sales and marketing of products and services. The Chem Dog Agreement has an indefinite term and will continue in effect until terminated.

Environmental Protection

The Resulting Issuer does not anticipate that any environmental protection requirements will affect its capital expenditures, earnings or competitive position in the current financial year or in future years.

Employees

As at the most recent financial year end, being December 31, 2019, One Plant Florida employed 73 employees who worked out of the following Florida locations: Bonita Springs (2); Boynton Beach (11); Ft. Lauderdale or Deerfield (13); Indiantown (17); Jacksonville (6); Ocala (2); Ruskin (12); St. Petersburg (10); and Tallahassee (2).

Competitive Conditions and Relative Position

One Plant Florida is a licensed, vertically-integrated cannabis company, cultivating, processing and dispensing medical cannabis in the State of Florida in accordance with state law. The State of Florida: (1) has legalized only the medical use of cannabis to qualified patients, cannabis remains illegal for recreational use; (2) has the third largest population in the United States; and (3) has granted only a limited number of MMTc licenses. Consequently, One Plant Florida enjoys limited competition resulting from the extremely high barriers to entry into the legal medical marijuana industry in Florida.

More established companies may have a competitive advantage over the Resulting Issuer due to their greater size, capital resources, cash flows and more mature business models. Compared to the Resulting Issuer, competitors may have significantly greater financial, technical and human resources at their disposal. As a result of these factors, competitors may have an advantage in marketing their approved products and may obtain regulatory approval of their products before the Resulting Issuer can, which may limit the Resulting Issuer's ability to develop or commercialize its products. Competitors may also develop and produce cannabis that is more effective, more widely used and less expensive, and may also be more successful in manufacturing and marketing their products. These advantages could materially impact the Resulting Issuer's ability to develop and commercialize its cannabis products.

The vast majority of both manufacturing and retail competitors in the Resulting Issuer's existing or proposed markets consist of localized businesses (i.e. doing business in only a single state market). There are a small number of multi-state operators that will also be direct competitors to the Resulting Issuer in the Resulting Issuer's operating markets. Aside from this direct competition, out-of-state operators that are capitalized well enough to enter those markets in which the Resulting Issuer operates through acquisitive growth are also considered part of the competitive landscape.

Mergers and acquisitions in the cannabis industry may result in resources being concentrated among a smaller number of competitors. Smaller and other early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties will compete with the Resulting Issuer in recruiting and retaining qualified personnel, developing new cannabis strains and attracting and retaining customers.

Lending and Investment Policies and Restrictions

Section 4.1(5) of CSE - Form 2A is not applicable to the Resulting Issuer.

Bankruptcy and Receivership

Neither the Resulting Issuer, nor any of the Subsidiaries, has been the subject of any bankruptcy, receivership or similar proceeding or any voluntary bankruptcy, receivership or similar proceedings, within any of the three most recently completed financial years (as applicable) or the current financial year.

Material Restructuring

See Item 3.1 – General Development of the Business of CannCure – The RTO Transaction.

Fundamental Social and Environmental Policies

The Resulting Issuer has not implemented any social or environmental policies that are fundamental to the Resulting Issuer's operations.

4.2 Asset Backed Securities

The Resulting Issuer does not have any asset-backed securities.

4.3 Companies with Mineral Projects

The Resulting Issuer does not have any mineral projects.

4.4 Companies with Oil and Gas Operations

The Resulting Issuer does not have any oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information of Goldstream, CannCure and the Resulting Issuer

Goldstream

The following table summarizes financial information of Goldstream for the three months ended March 31, 2020 and for the years ended December 31, 2017, 2018 and 2019, respectively. This summary financial information is derived from the financial statements of Goldstream and should only be read in conjunction with such financial statements, including the notes thereto. Refer to Schedule B of this Listing Statement for a complete copy of Goldstream's unaudited financial statements for the three months ended March 31, 2020 and audited financial statements for the years ended December 31, 2017, 2018 and 2019.

Operating Data:	For the three months ended March 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018	For the year ended December 31, 2017
Total revenues	\$Nil	\$Nil	\$Nil	\$Nil
Income (loss) from continuing operations	CAD\$(80,960)	CAD\$(241,283)	CAD\$(235,523)	CAD\$(222,015)
Basic and diluted income (loss) per share from continuing operations	CAD\$(0.05)	CAD\$(0.16)	CAD\$(0.17)	CAD\$(0.33)
Net income (loss) for the period	CAD\$(80,960)	CAD\$(241,283)	CAD\$(235,523)	CAD\$(222,015)
Basic and diluted income (loss) per share ⁽¹⁾	CAD\$(0.05)	CAD\$(0.16)	CAD\$(0.17)	CAD\$(0.33)
Balance Sheet Data:	As at March 31, 2020	As at December 31, 2019	As at December 31, 2018	As at December 31, 2017
Total assets	CAD\$333,309	CAD\$342,667	CAD\$423,534	CAD\$4,967
Total long-term liabilities	\$Nil	\$Nil	\$Nil	\$Nil
Cash dividends declared per share	\$Nil	\$Nil	\$Nil	\$Nil

(1) Basic and diluted income (loss) per share calculations for the years ended December 31, 2017, 2018 and 2019 have been adjusted to give effect to the Consolidation.

See *Schedule B – Financial Statements of Goldstream*.

CannCure

The following table summarizes financial information of CannCure for the three months ended March 31, 2020, for the financial year ended December 31, 2019, and for the period from June 5, 2018 (the date of incorporation) to December 31, 2018. This summary financial information is derived from the financial statements of CannCure and should only be read in conjunction with

such financial statements, including the notes thereto. Refer to Schedule C of this Listing Statement for a complete copy of CannCure's unaudited financial statements for the three months ended March 31, 2020 and audited financial statements for the financial years ended December 31, 2018 and 2019.

Operating Data:	For the three months ended March 31, 2020	For the year ended December 31, 2019	For the period from the date of incorporation to December 31, 2018
Total revenues	\$1,112,380	\$801,874	\$Nil
Income (loss) from continuing operations	\$(7,483,686)	\$(12,248,053)	\$(11,708,328)
Basic and diluted income (loss) per share from continuing operations	\$(0.09)	\$(0.17)	\$(0.32)
Net income (loss) for the period	\$(7,483,686)	\$(12,248,053)	\$(11,708,328)
Basic and diluted income (loss) per share	\$(0.09)	\$(0.17)	\$(0.32)
Balance Sheet Data:	As at March 31, 2020	As at December 31, 2019	As at December 31, 2018
Total assets	\$94,453,013	\$81,703,317	\$50,801,733
Total long-term liabilities	\$34,584,294	\$14,436,506	\$Nil
Cash dividends declared per share	\$Nil	\$Nil	\$Nil

See *Schedule C – Financial Statements of CannCure*.

Resulting Issuer

As the Resulting Issuer was formed as a result of the RTO Transaction, it does not have historical financial statements presented on a consolidated basis. The following table provides a brief summary of financial information of the Resulting Issuer as at March 31, 2020. Refer to Schedule A of this Listing Statement for consolidated, unaudited pro forma financial statements of the Resulting Issuer as at March 31, 2020.

Operating Data:	Goldstream as of and for the three months ended March 31, 2020	CannCure as of and for the three months ended March 31, 2020	Resulting Issuer Pro Forma as of and for the three months ended March 31, 2020⁽¹⁾
Total revenues	\$Nil	\$1,112,380	\$1,112,380
Income (loss) from continuing operations	\$(57,066)	\$(7,483,686)	\$(7,540,752)
Basic and diluted income (loss) per share from continuing operations	\$(0.04)	\$(0.09)	\$(0.09)
Net income (loss) for the period Operations	\$(57,066)	\$(7,483,686)	\$(7,540,752)
Basic and diluted income (loss) per share	\$(0.04)	\$(0.09)	\$(0.09)
Balance Sheet Data:			
Total assets	\$234,939	\$94,453,013	\$103,223,643
Total long-term liabilities	\$Nil	\$34,584,294	\$39,434,294
Cash dividends declared per share	\$Nil	\$Nil	\$Nil

(1) After giving effect to the RTO Transaction.

See Schedule A – Pro Forma Financial Statements of the Resulting Issuer.

Following the Closing Date, the Resulting Issuer began carrying on the business conducted by CannCure prior to the completion of the RTO Transaction. As of the date of this Listing Statement, all of the Resulting Issuer's business is derived directly from U.S. Marijuana-Related Activities. As such, the Resulting Issuer's balance sheet and operating statement are fully exposed to U.S. Marijuana-Related Activities.

5.2 Quarterly Information

As the Resulting Issuer was formed as a result of the RTO Transaction, it does not have historical quarterly financial statements.

Goldstream

The results for each of Goldstream's eight (8) most recently completed quarters ending at the end of the most recently completed financial year, being December 31, 2019, are summarized below:

	FISCAL 2018				FISCAL 2019			
	Q1 (CAD\$)	Q2 (CAD\$)	Q3 (CAD\$)	Q4 (CAD\$)	Q1 (CAD\$)	Q2 (CAD\$)	Q3 (CAD\$)	Q4 (CAD\$)
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income (loss) from continuing operations	\$(71,764)	\$(54,769)	\$(50,247)	\$(58,743)	\$(59,343)	\$(64,869)	\$(66,234)	\$(50,837)
Net Income (loss)	\$(71,764)	\$(54,769)	\$(50,247)	\$(58,743)	\$(59,343)	\$(64,869)	\$(66,234)	\$(50,837)

CannCure

Section 5.2 of CSE - Form 2A is not applicable to CannCure as it has not, since its date of incorporation, been a reporting issuer and has not prepared quarterly financial statements.

5.3 Dividends

Neither CannCure nor Goldstream paid any dividends during the financial periods noted above.

There are no restrictions in the Articles or Notice of Articles of the Resulting Issuer that could prevent the Resulting Issuer from paying dividends in the future.

The Resulting Issuer intends to retain any earnings to finance the growth of its business and expand its operations. As a result, the Resulting Issuer does not anticipate paying any dividends on the Resulting Issuer Shares in the foreseeable future. Any future determination to make any distributions will be at the discretion of the Resulting Issuer Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of distributions and any other factors that the Resulting Issuer Board deems relevant. The Resulting Issuer's ability to pay dividends may be affected by U.S. state and federal regulations.

5.4 Foreign GAAP

Section 5.4 of CSE - Form 2A is not applicable as the Resulting Issuer is not presenting consolidated financial information on the basis of foreign GAAP.

The financial statements included in this Listing Statement have been, and the future financial statements of the Resulting Issuer shall be, prepared in accordance with IFRS.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

CannCure's management's discussion and analysis ("MD&A") for: (i) the three months ended March 31, 2020; (ii) the period from June 5, 2018 (the date of incorporation) to December 31, 2018; and (iii) the financial year ended December 31, 2019, is attached as Schedule D hereto.

Goldstream's MD&A for the three months ended March 31, 2020 and for the financial years ended December 31, 2019 and 2018 are attached as Schedule E hereto.

7. MARKET FOR SECURITIES

The securities of CannCure were not listed on any stock exchange or market prior to the completion of the RTO Transaction.

Prior to the completion of the Delisting in connection with the RTO Transaction, the Goldstream Shares were listed for trading on the NEX Board of the TSXV under the symbol "GSX.H". On May 29, 2019, the TSXV imposed a halt on trading in the Goldstream Shares in connection with the proposed reverse takeover of Goldstream by CannCure Shareholders, which trading halt was not lifted prior to the Delisting. In the event that the CSE approves the listing of the Resulting Issuer Shares, the Resulting Issuer intends to be traded on the CSE under the symbol "BWEL".

8. CONSOLIDATED CAPITALIZATION

The following table summarizes: (i) the consolidated capitalization of Goldstream as at December 31, 2019, the date of the comparative financial statements for Goldstream's most recently completed financial year contained in the Listing Statement, prior to giving effect to the RTO Transaction; and (ii) the pro forma consolidated capitalization of the share and loan capital of the Resulting Issuer after giving effect to the RTO Transaction.

RESULTING ISSUER PRO FORMA CAPITALIZATION TABLE

	Authorized	Balance/Outstanding as of December 31, 2019, prior to giving effect to the RTO Transaction	Balance/Outstanding as at the date of this Listing Statement, after giving effect to the RTO Transaction
Debt			
Debentures	N/A.	\$Nil.	\$7,760,000 ⁽¹⁾
Construction Loan	N/A.	\$Nil.	\$15,000,000 ⁽²⁾
Shareholder Equity			
Common Shares	Unlimited.	24,168,432	82,780,962 ⁽³⁾

Warrants	Unlimited.	Nil.	11,694,000 ⁽⁴⁾
Resulting Issuer Options ⁽⁵⁾	Up to 10% of the issued and outstanding Resulting Issuer Shares, including any Resulting Issuer Shares issuable under the Resulting Issuer RSU Plan. ⁽⁵⁾	Nil.	Nil.
Resulting Issuer RSUs ⁽⁵⁾	Up to 10% of the issued and outstanding Resulting Issuer Shares, including any Resulting Issuer Shares issuable under the Resulting Issuer Option Plan. ⁽⁵⁾	Nil.	7,250,000 ⁽⁶⁾
Resulting Issuer Shares Issuable upon conversion of the principal amount of the Resulting Issuer Convertible Debentures	Unlimited.	Nil.	20,888,750 ⁽⁷⁾
Resulting Issuer Warrants Issuable upon conversion of the principal amount of the Resulting Issuer Convertible Debentures	Unlimited.	Nil.	20,888,750 ⁽⁷⁾
FULLY DILUTED ISSUED AND OUTSTANDING RESULTING ISSUER SHARES	-	24,168,432	143,502,462

Notes:

- (1) Consisting of Resulting Issuer Debentures in the principal amount of \$7,760,000, which debentures were issued in exchange for the CannCure Amended and Restated Debentures in connection with the completion of the RTO Transaction and have terms equivalent to the CannCure Amended and Restated Debentures.
- (2) Representing the maximum available principal amount under the Construction Loan. As at the date of this Listing Statement, the Resulting Issuer has drawn an aggregate principal amount of \$8,000,000. For further information on the Construction Loan, see *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Construction Loan*.
- (3) On a non-diluted basis, after giving effect to the Consolidation.
- (4) Consisting of: (i) 11,640,000 Resulting Issuer Warrants, each of which entitles the holder to purchase one Resulting Issuer Share at a price of \$1.00 per Resulting Issuer Share for a period of 24 months from the date of issuance; and (ii) 54,000 Resulting Issuer Warrants, each of which entitles the holder to purchase one Resulting Issuer Share at a price of \$2.00 per Resulting Issuer Share, on or before May 6, 2021.
- (5) Pursuant to the terms of the Resulting Issuer RSU Plan and the Resulting Issuer Option Plan, the maximum number of Resulting Issuer Shares issuable pursuant to all Security Based Compensation Arrangements will not exceed, in the aggregate, 10.0% of the issued and outstanding Resulting Issuer Shares on a rolling basis.
- (6) 7,250,000 Resulting Issuer RSUs were awarded to certain officers, directors, employees and consultants pursuant to the RSU Plan immediately following the completion of the RTO Transaction. For further information on the awards of Resulting Issuer RSUs, see *Section 9 – Options to Purchase Securities*.
- (7) CannCure issued CannCure Convertible Debentures in the aggregate principal amount of \$16,711,000 pursuant to the Concurrent Financing. The CannCure Convertible Debentures were exchanged for Resulting Issuer Convertible Debentures in connection with the RTO Transaction. Upon the conversion of the outstanding principal amount of the Resulting Issuer Convertible Debentures by the holders thereof, the Resulting Issuer will issue, in the aggregate, approximately 20,888,750 Resulting Issuer Shares and 20,888,750 Resulting Issuer Warrants, assuming the conversion of the outstanding principal amount of the Resulting Issuer Convertible Debentures at a Conversion Price of \$0.80 per Resulting Issuer Debenture Unit. For further information on the Concurrent Financing and the Resulting Issuer Convertible Debentures see *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities – Concurrent Financing*.

9. OPTIONS TO PURCHASE SECURITIES

As of the date of this Listing Statement the Resulting Issuer has no Resulting Issuer Options outstanding.

The table below sets forth the aggregate number of Resulting Issuer RSUs that are outstanding as of the date of this Listing Statement. The Resulting Issuer Options will be subject to the terms of the Resulting Issuer Option Plan and the Resulting Issuer RSUs will be subject to the terms Resulting Issuer RSU Plan. The principal terms of each plan are described below. The Resulting Issuer currently has no long-term incentive plans, other than the Resulting Issuer Option Plan and the Resulting Issuer RSU Plan.

Category of Option Holder	Designation and Number of Compensation Securities	Date of Issue or Grant	Issue, Conversion or Exercise Price	Expiry Date
Executive Officers and Past Executive Officers of the Resulting Issuer	2,340,000 Resulting Issuer RSUs ⁽¹⁾	Closing Date	N/A	N/A
Directors and Past Directors of the Resulting Issuer who are not also Executive Officers	500,000 Resulting Issuer RSUs ⁽²⁾	Closing Date	N/A	N/A
Employees and Past Employees of the Resulting Issuer	1,625,000 Resulting Issuer RSUs ⁽³⁾	Closing Date	N/A	N/A
Consultants of the Resulting Issuer	2,785,000 Resulting Issuer RSUs ⁽⁴⁾	Closing Date	N/A	N/A
Any Other Person or Issuer, including Finders and Underwriters	Nil	N/A	N/A	N/A

Notes:

- (1) This group consists of six persons, comprised of three officers of the Resulting Issuer, two persons that are each directors and officers of the Resulting Issuer, and an associated entity of one person that acted as a director and officer of CannCure prior to the completion of the RTO Transaction. The Resulting Issuer RSUs were issued pursuant to the terms and subject to the conditions of the Resulting Issuer RSU Plan. All of the Resulting Issuer RSUs were issued on the Closing Date. Of the aggregate 2,340,000 Resulting Issuer RSUs awarded to executive officers and past executive officers of the Resulting Issuer, 2,000,000 Resulting Issuer RSUs vested on the Closing Date and the remaining 340,000 Resulting Issuer RSUs will vest in thirds, with one third having vested on the Closing Date and one third vesting on each of January 1, 2021, and January 1, 2022.
- (2) This group consists of two individuals. The Resulting Issuer RSUs were issued pursuant to the terms and subject to the conditions of the Resulting Issuer RSU Plan. All of the Resulting Issuer RSUs awarded to directors and past directors of the Resulting Issuer were issued and vested on the Closing Date.
- (3) This group consists of 15 individuals. The Resulting Issuer RSUs were issued pursuant to the terms and subject to the conditions of the Resulting Issuer RSU Plan. All of the Resulting Issuer RSUs were issued on the Closing Date. All Resulting Issuer RSUs awarded to employees and past employees of the Resulting Issuer will vest in thirds, with one third having vested on the Closing Date and one third vesting on each of January 1, 2021 and January 1, 2022.
- (4) This group consists of 13 individuals. The Resulting Issuer RSUs were issued pursuant to the terms and subject to the conditions of the Resulting Issuer RSU Plan. All of the Resulting Issuer RSUs were issued on the Closing Date. Of the aggregate 2,785,000 Resulting Issuer RSUs awarded to consultants of the Resulting Issuer, 2,600,000 Resulting Issuer RSUs vested on the Closing Date and the remaining 185,000 Resulting Issuer RSUs will vest in thirds, with one third having vested on the Closing Date and one third vesting on each of January 1, 2021 and January 1, 2022.

It is anticipated that, within the twelve month period following the completion of the RTO Transaction, the Resulting Issuer may from time to time issue Resulting Issuer Options pursuant to the Resulting Issuer Option Plan and/or Resulting Issuer RSUs pursuant to the Resulting Issuer RSU Plan to directors, officers, and other persons permitted under the terms of each plan.

Resulting Issuer Option Plan

Purpose of and Eligible Participants in Resulting Issuer Option Plan

The Resulting Issuer Option Plan is a “rolling” stock option plan which was amended and restated and last approved at the Goldstream Meeting, subject to the completion of the Delisting. The purpose of the Resulting Issuer Option Plan is to, among other things, encourage ownership of Resulting Issuer Shares by the directors, officers, employees, investor relations providers and consultants of the Resulting Issuer or the Subsidiaries, and by employees of persons which provide management services to the Resulting Issuer or the Subsidiaries (collectively, the “**Option Participants**”), thereby increasing the Option Participants’ proprietary interest in the Resulting Issuer, encouraging the Option Participants to remain associated with the Resulting Issuer and to provide additional incentive in their efforts on behalf of the Resulting Issuer. Resulting Issuer Options may be granted under the Resulting Issuer Option Plan only to Option Participants, subject to the rules and policies of the Exchange and any other regulatory body having jurisdiction.

Resulting Issuer Shares Issuable Pursuant to Resulting Issuer Option Plan and Restrictions on Resulting Issuer Options

The number of Resulting Issuer Shares which may be reserved for issue under the Resulting Issuer Option Plan, together with the number of Resulting Issuer Shares issuable pursuant to all other Security Based Compensation Arrangements, may not exceed 10% of the issued and outstanding Resulting Issuer Shares on each grant date. The Resulting Issuer Options are not generally transferable or assignable. Subject to earlier termination in accordance with the terms of the Resulting Issuer Option Plan, Resulting Issuer Options may be granted for a term not exceeding the shorter of: (i) ten (10) years from the date of the grant; or (ii) any maximum term permitted by the Exchange or by any other regulatory body having jurisdiction. The exercise prices of the Resulting Issuer Options are determined by the Resulting Issuer Board, subject applicable Exchange approval.

The Resulting Issuer Option Plan contains the following restrictions as to insider and individual eligibility thereunder: (i) no Option Participant shall be granted Resulting Issuer Options if the aggregate number of Resulting Issuer Shares reserved for issuance to such Option Participant under the Resulting Issuer Option Plan, together with any Resulting Issuer Shares reserved for issuance to such Option Participant under all other Security Based Compensation Arrangements, would exceed the maximum number permitted by the Exchange; (ii) unless the Resulting Issuer has received disinterested shareholder approval to do so, the number of Resulting Issuer Shares reserved for issuance to any one Option Participant, other than a consultant, under all Security Based Compensation Arrangements in any twelve-month period will not exceed 5.0% of the issued and outstanding Resulting Issuer Shares; (iii) the number of Resulting Issuer Shares reserved for issuance to any one consultant or investor relations provider under all Security Based Compensation Arrangements in any twelve-month period will not exceed 2.0% of the issued and outstanding Resulting Issuer Shares; (iv) unless the Resulting Issuer has received disinterested shareholder approval to do so and satisfies any applicable Exchange requirements, the number of Resulting Issuer Shares issuable to insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 10.0% of the issued and outstanding Resulting Issuer Shares; and (v) unless the Resulting Issuer has received disinterested shareholder approval to do so and satisfies any applicable Exchange requirements, the number of Resulting Issuer Shares issued to insiders, within any one year period, under all Security Based

Compensation Arrangements, shall not exceed 10.0% of the issued and outstanding Resulting Issuer Shares.

Vesting of Resulting Issuer Options

The Resulting Issuer Board may determine in its discretion the time during which Resulting Issuer Options shall vest, subject to any vesting restrictions imposed by the Exchange, and provided that any Resulting Issuer Options granted to an investor relations provider will contain vesting provisions such that vesting occurs over at least twelve months with no more than 1/4 of the Resulting Issuer Options vesting in any three month period. Any Resulting Issuer Shares subject to a Resulting Issuer Option which is exercised, expires, or for any reason is terminated prior to exercise, will be available for a subsequent grant under the Resulting Issuer Option Plan.

General Provisions

The Resulting Issuer Option Plan contains provisions for adjustment in the number of Resulting Issuer Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Resulting Issuer Shares, a merger or other relevant changes in the Resulting Issuer's capitalization. Subject to approval of the Exchange and subject to shareholder approval in certain circumstances, the Resulting Issuer Board may from time to time amend or revise the terms of the Resulting Issuer Option Plan or may terminate the Resulting Issuer Option Plan at any time. The Resulting Issuer Option Plan does not contain any provision for financial assistance by the Resulting Issuer in respect of Resulting Issuer Options granted under the Resulting Issuer Option Plan.

Resulting Issuer RSU Plan

Purpose of Resulting Issuer RSU Plan

The Resulting Issuer RSU Plan was adopted by the Goldstream Shareholders at the Goldstream Meeting, subject to the completion of the Delisting. The purpose of the Resulting Issuer RSU Plan is to: (a) aid in attracting, retaining and motivating the officers, employees and other eligible RSU Participants (as defined below) in the growth and development of the Resulting Issuer by providing them with the opportunity through Resulting Issuer RSUs to acquire an increased proprietary interest in the Resulting Issuer; (b) more closely align the interests of the RSU Participants with those of the Resulting Issuer Shareholders; (c) focus such RSU Participants on operating and financial performance and long-term shareholder value; and (d) motivate and reward RSU Participants' performance and contributions to the Resulting Issuer's long-term success.

Eligible Participants in Resulting Issuer RSU Plan

Pursuant to the Resulting Issuer RSU Plan, the Resulting Issuer Board may, from time to time, in its discretion and in accordance with the applicable rules and policies of the Exchange, grant directors, officers, managers, employees, consultants or investor relations providers of the Resulting Issuer or of a Subsidiary (each a "**RSU Participant**") Resulting Issuer RSUs.

Payments of Vested Resulting Issuer RSUs

Each RSU Participant will have the right to receive, for each whole vested RSU held by such RSU Participant: (i) one Resulting Issuer Share, acquired by the Resulting Issuer on the Exchange; (ii) one Resulting Issuer Share, issued from the treasury of the Resulting Issuer; or (iii) a cash payment of the fair market value of the Resulting Issuer Shares.

The form of payment to an RSU Participant in respect of a vested Resulting Issuer RSU shall be in the sole discretion of the Resulting Issuer. The Resulting Issuer shall not determine whether the payment method shall take the form of cash or Resulting Issuer Shares until the vesting date, or some reasonable time prior thereto. A holder of Resulting Issuer RSUs shall not have any right to demand, be paid in, or receive Resulting Issuer Shares in respect of the award value underlying any Resulting Issuer RSU at any time. Notwithstanding any election by the Resulting Issuer to settle the award value of any vested Resulting Issuer RSUs, or portion thereof, in Resulting Issuer Shares, the Resulting Issuer reserves the right to change its election in respect thereof at any time up until payment is actually made, and the holder of such vested Resulting Issuer RSUs shall not have the right, at any time to enforce settlement in the form of Resulting Issuer Shares.

Resulting Issuer Shares Issuable Pursuant to Resulting Issuer RSU Plan and Restrictions on Resulting Issuer RSUs

The maximum number of Resulting Issuer Shares issuable pursuant to the Resulting Issuer RSU Plan and all other Security Based Compensation Arrangements will not exceed, in the aggregate, 10.0% of the issued and outstanding Resulting Issuer Shares on a rolling basis.

Any Resulting Issuer RSUs that have vested and in respect of which payment has been made (whether in Resulting Issuer Shares or in cash), or that are cancelled, surrendered, terminated or that expire prior to the final vesting date, or in respect of which the Resulting Issuer has not elected to issue Resulting Issuer Shares from treasury in respect thereof shall result in such Resulting Issuer Shares that were reserved for issuance thereunder being available to be issued, at the election of the Resulting Issuer, in respect of a subsequent grant of Resulting Issuer RSUs pursuant to the Resulting Issuer RSU Plan to the extent of any Resulting Issuer Shares which have not been issued from treasury in respect of any such Resulting Issuer RSUs.

Unless the Resulting Issuer has received disinterested shareholder approval to do so, the number of Resulting Issuer Shares reserved for issuance to any one RSU Participant, other than a consultant or investor relations provider, under all Security Based Compensation Arrangements in any 12 month period will not exceed 5.0% of the issued and outstanding Resulting Issuer Shares.

The number of Resulting Issuer Shares reserved for issuance to any one consultant or investor relations provider under all Security Based Compensation Arrangements in any 12 month period will not exceed 2.0% of the issued and outstanding Resulting Issuer Shares.

Unless the Resulting Issuer has received disinterested shareholder approval to do so, the number of Resulting Issuer Shares issuable to Insiders (as defined in the *Securities Act* (Ontario)), at any time, under all Security Based Compensation Arrangements, shall not exceed 10.0% of the issued and outstanding Resulting Issuer Shares.

Unless the Resulting Issuer has received disinterested shareholder approval to do so, the number of Resulting Issuer Shares issued to Insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 10.0% of the issued and outstanding Resulting Issuer Shares.

Vesting of Resulting Issuer RSUs and Vesting Upon a Change of Control

The Resulting Issuer Board may, in its sole discretion, determine the time during which Resulting Issuer RSUs shall vest and expire and the conditions to be satisfied in order for vesting to occur. In the absence of any determination by the Resulting Issuer Board to the contrary, Resulting Issuer RSUs will vest and be payable as to one third (1/3) of the total number of Resulting Issuer RSUs granted on each of the first, second and third anniversaries of the award date, provided that payment of a Resulting Issuer RSU must occur prior to December 31st of the calendar year in which the expiry date applicable to such Resulting Issuer RSU occurs. The Resulting Issuer Board may, in its sole discretion, accelerate or provide for the acceleration of vesting of Resulting Issuer RSUs previously granted.

Notwithstanding any other provision of the Resulting Issuer RSU Plan, but subject to the terms of any applicable Resulting Issuer RSU agreement, if a change of control occurs with respect to the Resulting Issuer, all issued and outstanding Resulting Issuer RSUs shall vest and the vesting date will be the date which is immediately prior to the time such change of control occurs, or such earlier time as determined in the sole discretion of the Resulting Issuer Board.

Ceasing to be an RSU Participant

Unless otherwise determined by the Resulting Issuer Board, and subject to the terms of any applicable Resulting Issuer RSU agreement, upon a RSU Participant ceasing to be a director or officer of or be in the employ of, or a consultant or other RSU Participant, including without limitation, by reason of retirement, resignation or involuntary termination (whether with or without cause), but not including by reason of death, the former RSU Participant will forfeit all unvested Resulting Issuer RSUs, the award value of any vested Resulting Issuer RSUs remaining unpaid will be paid to the former RSU Participant in accordance with the terms of the Resulting Issuer RSU Plan, and the former RSU Participant will not be entitled to any further payment under the Resulting Issuer RSU Plan.

General Provisions

Resulting Issuer RSUs shall not be considered Resulting Issuer Shares, nor shall they entitle any RSU Participant to exercise voting rights or any other rights attaching to the ownership of Resulting Issuer Shares, nor shall any RSU Participant be considered a Resulting Issuer Shareholder by virtue of the award of Resulting Issuer RSUs. The rights of a RSU Participant under the Resulting Issuer RSU Plan are not assignable or otherwise transferrable, except as required by law.

Authority of the Resulting Issuer Board

The Resulting Issuer Board may from time to time amend or discontinue the Resulting Issuer RSU Plan, in whole or in part, without further shareholder approval; however the Resulting Issuer RSU Plan sets out what the Resulting Issuer Board may and may not do, without obtaining the approval of Resulting Issuer Shareholders, in respect of amendments to the Resulting Issuer RSU Plan.

In the event (i) of any change in the Resulting Issuer Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise, (ii) that any rights are granted to all or substantially all Resulting Issuer Shareholders to purchase Resulting Issuer Shares at prices substantially below fair market value, or (iii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Resulting Issuer Shares are converted into or exchangeable for any other securities or property, the Resulting Issuer Board may make such adjustments to the Resulting Issuer RSU Plan, any outstanding Resulting Issuer RSUs and any Resulting Issuer RSU agreement which it deems appropriate in its discretion in order to prevent dilution or enlargement of amounts to be paid to RSU Participants.

The Resulting Issuer may take such action as it deems appropriate, in accordance with the terms of the Resulting Issuer RSU Plan, to ensure that all applicable federal, state, provincial, local and/or payroll, withholding, income or other taxes, which are the sole and absolute responsibility of a RSU Participant, are withheld or collected from such RSU Participant.

10. DESCRIPTION OF THE SECURITIES

10.1 General

Common Shares

The authorized capital of the Resulting Issuer consists of an unlimited number of Resulting Issuer Shares.

The holders of Resulting Issuer Shares are entitled to receive notice of and to attend and vote at all meetings of the Resulting Issuer Shareholders and each Resulting Issuer Share shall confer the right to one vote in person or by proxy at all meetings of the Resulting Issuer Shareholders. The holders of the Resulting Issuer Shares, subject to the prior rights, if any, of any other class of shares of the Resulting Issuer, are entitled to receive such dividends in any financial year as the Resulting Issuer Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Resulting Issuer, whether voluntary or involuntary, the holders of the Resulting Issuer Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Resulting Issuer, the remaining property and assets of the Resulting Issuer.

As of Closing Date there were 82,780,962 Resulting Issuer Shares issued and outstanding on a non-diluted basis.

Warrants

From May 6, 2019 to July 25, 2019, CannCure completed the Unit Offering in several tranches on a non-brokered private placement basis. The Units issued pursuant to the Unit Offering consisted of, among other securities, CannCure Unit Offering Warrants. Pursuant to the terms of the Unit Offering, CannCure issued an aggregate of 7,760,000 CannCure Unit Offering Warrants to subscribers. Prior to the completion of the RTO Transaction, each CannCure Unit Offering Warrant entitled the holder thereof to acquire one (1) CannCure Common Share at an exercise price of \$1.00 per CannCure Common Share for a period of 24 months after the closing of the Unit Offering. For further information on the terms of the Unit Offering, see *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

In connection with the Unit Offering, CannCure issued 54,000 CannCure Finder Warrants to the Finder as compensation. Prior to the completion of the RTO Transaction, each CannCure Finder Warrant entitled the holder thereof to acquire one (1) CannCure Common Share at an exercise price of \$2.00 per CannCure Common Share on or before May 6, 2021.

Pursuant to the terms of the Letter Agreement, on February 20, 2020, CannCure issued CannCure Consideration Warrants to each holder of Non-Convertible Debentures as consideration for the debentureholders' acceptance of the amendments to the Non-Convertible Debentures proposed in the Letter Agreement. Each holder of Non-Convertible Debentures was issued one half of one (1/2) CannCure Consideration Warrant per dollar of principal amount outstanding under the Non-Convertible Debentures held by such holder. Prior to the completion of the RTO Transaction, each full CannCure Consideration Warrant entitled the holder thereof to purchase one (1) CannCure Common Share at an exercise price of \$1.00 per CannCure Common Share on or before February 20, 2022. A total of 3,880,000 CannCure Consideration Warrants were issued to the holders of Non-Convertible Debentures pursuant to the terms of the Letter Agreement.

Pursuant to the terms of the Construction Loan, AFC will be issued non-transferable Resulting Issuer Warrants in the amount equal to 15% of the Construction Loan divided by the First 10 Day VWAP of the Resulting Issuer Shares. Each such Resulting Issuer Warrant will entitle AFC to purchase one (1) Resulting Issuer Share at an exercise price equal to the First 10 Day VWAP and expire on February 12, 2025, provided however, that no exercise of such Resulting Issuer Warrants will be permitted that results in AFC holding more than 9.9% of the Resulting Issuer Shares.

In connection with the closing of the RTO Transaction, Resulting Issuer Warrants bearing equivalent terms to the outstanding CannCure Warrants were issued to the holders of CannCure Warrants in exchange and replacement for the CannCure Warrants. The CannCure Warrants were subsequently cancelled.

As a result of the exchange, the Resulting Issuer has a total of 11,694,000 Resulting Issuer Warrants issued and outstanding, of which:

- (a) 7,760,000 Resulting Issuer Warrants are exercisable for one Resulting Issuer Share per Resulting Issuer Warrant at a price of \$1.00 per Resulting Issuer Share and will expire on various dates between May 6, 2021 and July 25, 2021;
- (b) 54,000 Resulting Issuer Warrants are exercisable for one Resulting Issuer Share per Resulting Issuer Warrant at a price of \$2.00 per Resulting Issuer Share on or before May 6, 2021; and
- (c) 3,880,000 Resulting Issuer Warrants are exercisable for one Resulting Issuer Share per Resulting Issuer Warrant at a price of \$1.00 per Resulting Issuer Share on or before February 20, 2022.

Options and RSUs

See *Section 9 – Options to Purchase Securities* for additional information.

As of the date of this Listing Statement, no Resulting Issuer Options are outstanding and 7,250,000 Resulting Issuer RSUs are issued and outstanding. All of the outstanding Resulting Issuer RSUs were issued on the Closing Date pursuant to the terms and subject to the provisions of the Resulting Issuer RSU Plan. Of the aggregate 7,250,000 Resulting Issuer RSUs awarded, 5,100,000 Resulting Issuer RSUs vested on the Closing Date. The remaining 2,150,000 Resulting Issuer RSUs will vest in thirds, with one third having vested on the Closing Date and one third vesting on each of January 1, 2021 and January 1, 2022.

10.2 Debt Securities, Other Securities, Modification of Terms and Other Attributes

Sections 10.2 to 10.6 of CSE - Form 2A are not applicable to the Resulting Issuer.

10.7 Prior Sales

Goldstream

No securities of Goldstream were issued within the 12-month period before the date of this Listing Statement.

CannCure

The following table summarizes the prices at which CannCure Common Shares were sold within the 12-month period before the date of this Listing Statement, or are to be sold, by the Resulting Issuer or Related Persons (as defined in the CSE Policies) and the number of CannCure Common Shares sold or Resulting Issuer Shares to be sold by each such Person.

Date of Issuance	Description of Transaction	Price per Security (\$)	Number of Securities
April 30, 2019	Debt Settlement	\$1.384	13,871,602 CannCure Common Shares ⁽¹⁾
May 6, 2019	Private Placement	\$1,000	4,980 Units ⁽²⁾
May 13, 2019	Private Placement	\$1,000	300 Units ⁽²⁾
May 14, 2019	Private Placement	\$1,000	800 Units ⁽²⁾
June 12, 2019	Private Placement	\$1,000	940 Units ⁽²⁾
July 9, 2019	Private Placement	\$1,000	3,500 Units ⁽²⁾⁽³⁾
July 16, 2019	Private Placement	\$1,000	3,000 Units ⁽²⁾⁽³⁾
July 25, 2019	Private Placement	\$1,000	2,000 Units ⁽²⁾⁽³⁾
February 19, 2020	Share Purchase Transaction	\$1.00	10,000,000 CannCure Common Shares ⁽⁴⁾
February 20, 2020	Satisfaction of Contractual Obligation	\$1.00	35,151,483 CannCure Common Shares ⁽⁵⁾
March 15, 2020	Share Purchase Transaction	\$1.00	8,125,000 CannCure Common Shares ⁽⁶⁾
March 31, 2020	Shares for Services Agreements	\$1.00	2,000,000 CannCure Common Shares ⁽⁷⁾
April 29, 2020	Shares for Services Agreements	\$1.00	397,212 CannCure Common Shares ⁽⁸⁾

Date of Issuance	Description of Transaction	Price per Security (\$)	Number of Securities
April 29, 2020 – May 21, 2020	Share Purchase Transactions	\$1.00	17,781,248 CannCure Common Shares ⁽⁹⁾

Notes:

- (1) CannCure issued an aggregate of 13,871,602 CannCure Common Shares to SOL Global pursuant to the terms and subject to the conditions of the Debt Conversion Agreement, in full and final satisfaction of the December Promissory Note owing to SOL Global.
- (2) Between May 6, 2019 and July 25, 2019, CannCure issued an aggregate of 15,520 Units at a subscription price of \$1,000 per Unit under the terms of the Unit Offering. Each Unit consisted of: (i) 250 CannCure Common Shares, (ii) 500 CannCure Unit Offering Warrants, and (iii) a Non-Convertible Debenture in the principal amount of \$500. CannCure issued an aggregate of 3,880,000 CannCure Common Shares to subscribers in connection with the Unit Offering. Further information on the terms of the Unit Offering and the Units is set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.
- (3) SOL Global subscribed for and acquired Units of CannCure, a portfolio company of SOL Global pursuant to the terms of the Unit Offering. SOL Global's participation in the Unit Offering was part of a larger, private offering of securities of CannCure that included participation from arm's length investors.
- (4) CannCure issued an aggregate of 10,000,000 CannCure Common Shares to Northern Emeralds pursuant to the terms of the Northern Emeralds LOI. On March 31, 2020, the Northern Emeralds LOI expired and CannCure and Northern Emeralds negotiated a return of the CannCure Common Shares to CannCure for cancellation.
- (5) On February 20, 2020, CannCure, Goldstream and Subco entered into the Business Combination Agreement, triggering the obligation of SOL Global to satisfy the CannCure Earn-Out pursuant to the terms of the Amended and Restated Share Purchase Agreement, as amended. On February 20, 2020, SOL Global satisfied the CannCure Earn-Out by transferring an aggregate of 35,151,483 CannCure Common Shares to the former holders of the CannCure Common Shares.
- (6) On March 15, 2020, SOL Global entered into a contribution agreement, pursuant to which it contributed 8,125,000 CannCure Common Shares to a third party limited partnership at a deemed price of \$1.00 per CannCure Common Share.
- (7) On March 31, 2020, CannCure entered into agreements with three consultants to CannCure. Pursuant to the terms of the agreements, CannCure agreed to issue an aggregate of 2,000,000 CannCure Common Shares to the consultants at a deemed price of \$1.00 per CannCure Common Share, in satisfaction of outstanding service fees owing to the consultants.
- (8) On April 29, 2020, CannCure entered into an agreement with an advisor to CannCure and the CannCure Subsidiaries. Pursuant to the terms of the agreement, CannCure agreed to issue 397,212 CannCure Common Shares to the advisor at a deemed price of \$1.00 per CannCure Common Share, in satisfaction of outstanding service fees owing to the advisor.
- (9) Between April 29, 2020 and May 21, 2020, SOL Global entered into a series of securities exchange, share purchase, debt settlement and contribution agreements, pursuant to which SOL Global purchased from, transferred or sold to third parties or contributed to third party limited partnerships CannCure Common Shares at a deemed price of \$1.00 per CannCure Common Share. Pursuant to the securities exchange, share purchase, debt settlement and contribution agreements, the net number of CannCure Common Shares held by SOL Global was reduced by an aggregate of 17,781,248 CannCure Common Shares.

10.8 Stock Exchange Price

Prior to the Delisting, the Goldstream Shares were listed and traded on the NEX Board of the TSXV under the trading symbol "GSX.H". On May 29, 2019, the TSXV imposed a halt on trading in the Goldstream Shares in connection with the proposed reverse takeover of Goldstream by CannCure Shareholders, which trading halt was not lifted prior to the Delisting. The following table sets out, on a pre-Consolidation basis, the price ranges and the volume of Goldstream Shares traded on the TSXV prior to the Delisting on a monthly basis for each month of the current and immediately preceding quarters, and on a quarterly basis for the next preceding seven quarters.

Period	High Trading Price (CAD\$)	Low Trading Price (CAD\$)	Volume (#)
April 1 - 24, 2020 ⁽¹⁾	0.05	0.05	0
March, 2020 ⁽¹⁾	0.05	0.05	0
February, 2020 ⁽¹⁾	0.05	0.05	0
January, 2020 ⁽¹⁾	0.05	0.05	0
October – December, 2019 ⁽¹⁾	0.05	0.05	0
July – September, 2019 ⁽¹⁾	0.05	0.05	0
April – June, 2019 ⁽¹⁾	0.085	0.035	3,639,600
January – March, 2019	0.08	0.045	3,570,921

Period	High Trading Price (CAD\$)	Low Trading Price (CAD\$)	Volume (#)
October – December, 2018	0.08	0.04	3,218,840
July – September, 2018	0.18	0.04	6,691,234
April – June, 2018	0.14	0.09	139,510

Notes:

(1) Trading in the Goldstream Shares was halted by the TSXV on May 29, 2019 in connection with the proposed reverse takeover of Goldstream by CannCure Shareholders. Trading was not resumed prior to the completion of the Delisting.

Prior to the completion of the RTO Transaction, none of the securities of CannCure were listed for trading on any stock exchange or market.

11. ESCROWED SECURITIES

The Resulting Issuer is an “exempt issuer” as such term is defined in Section 3.2(b) of National Policy 46-201 – Escrow for Initial Public Offerings. As such, the securities of the Resulting Issuer are exempt from the escrow requirements set out in NP 46-201.

BCA Lock-Up

Pursuant to the terms and subject to the conditions of the Business Combination Agreement and as approved at the CannCure Meeting, the Resulting Issuer Shares issued to CannCure Shareholders in connection with the completion of the RTO Transaction (other than those Resulting Issuer Shares issued to certain consultants of CannCure) are bound by lock-up provisions that will prohibit, without the prior written consent of the Resulting Issuer, the sale, transfer or disposition of such Resulting Issuer Shares (the “**BCA Lock-Up**”), except in accordance with the release schedule set out in a footnote to the table below.

The following securities of the Resulting Issuer will be subject to the BCA Lock-Up.

Class of Security	Number of Securities subject to BCA Lock-Up	Percentage of Class of Securities
Resulting Issuer Shares	77,800,000 ⁽¹⁾	93.98% ⁽²⁾

Notes:

- (1) Seven and one half percent (7.50%) of the Resulting Issuer Shares subject to the BCA Lock-Up, representing approximately 5,835,000 Resulting Issuer Shares, will be released from the BCA Lock-Up on the Closing Date. An additional 10.0% of the Resulting Issuer Shares subject to the BCA Lock-Up, representing approximately 7,780,000 Resulting Issuer Shares, will be released from the BCA Lock-Up 90 days after the Closing Date. An additional 12.50% of the Resulting Issuer Shares subject to the BCA Lock-Up, representing approximately 9,725,000 Resulting Issuer Shares, will be released from the BCA Lock-Up 180 days after the Closing Date. An additional 15.0% of the Resulting Issuer Shares subject to the BCA Lock-Up, representing approximately 11,670,000 Resulting Issuer Shares, will be released from the BCA Lock-Up 270 days after the Closing Date. An additional 25.0% of the Resulting Issuer Shares subject to the BCA Lock-Up, representing approximately 19,450,000 Resulting Issuer Shares, will be released from the BCA Lock-Up 365 days after the Closing Date. The remaining 30.0% of the Resulting Issuer Shares subject to the BCA Lock-Up, representing approximately 23,340,000 Resulting Issuer Shares, will be released from the BCA Lock-Up 455 days after the Closing Date.
- (2) On a non-diluted basis, after giving effect to the Consolidation.

12. PRINCIPAL SHAREHOLDERS

12.1 and 12.2 Principal Shareholders

To the knowledge of the directors and officers of the Resulting Issuer, as of the date of this Listing Statement, the following persons beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Resulting Issuer:

Name and Jurisdiction of Residence	Type of Ownership	Number of Resulting Issuer Shares	Percentage of Outstanding Resulting Issuer Shares (Non-Diluted) ⁽¹⁾	Percentage of Outstanding Resulting Issuer Shares (Fully Diluted) ⁽²⁾
SOL Global Investments Corp. Ontario, Canada	Registered	16,067,269 ⁽³⁾	19.41%	15.69%

Notes:

- (1) Based on 82,780,962 Resulting Issuer Shares issued and outstanding on a non-diluted basis after giving effect to the Consolidation.
- (2) Based on 143,502,462 Resulting Issuer Shares issued and outstanding on a fully diluted basis after giving effect to the Consolidation and assuming the conversion of the outstanding principal amount of the Resulting Issuer Convertible Debentures at a Conversion Price of \$0.80 per Resulting Issuer Debenture Unit.
- (3) In addition to the Resulting Issuer Shares noted in this table, SOL Global holds 6,450,000 Resulting Issuer Warrants.

12.1 Voting Trusts

To the knowledge of the Resulting Issuer, no voting trust exists within the Resulting Issuer such that more than 10% of any class of voting securities of the Resulting Issuer is held, or is to be held, subject to any voting trust or other similar agreement.

12.2 Associates and Affiliates

To the knowledge of the Resulting Issuer, none of the principal shareholders is an Associate or Affiliate of any other principal shareholder.

13. DIRECTORS AND OFFICERS

13.1 Directors and Officers

The Articles of the Resulting Issuer provide that, as a public company, the Resulting Issuer shall not have fewer than three (3) directors. The Resulting Issuer Board will initially consist of four (4) directors. The Resulting Issuer anticipates adding an additional director to the Resulting Issuer Board in the 12 months following the Closing Date in accordance with the provisions of the BCBCA. Each of the directors of the Resulting Issuer was elected at the Goldstream Meeting, with such elections taking effect upon the completion of the RTO Transaction. Each director of the Resulting Issuer shall hold office until the close of the next annual meeting of the Resulting Issuer Shareholders, or until such director's successor is duly elected or appointed, unless such office is earlier vacated in accordance with the Resulting Issuer's Articles.

The following table sets forth the names of the directors and officers of the Resulting Issuer, their municipalities, provinces or states and countries of residence, the positions and offices they hold with the Resulting Issuer, their principal occupations during the past five (5) years, and the number

and percentage of Resulting Issuer Shares owned, directly or indirectly, or over which control or direction is exercised by each as of the date of this Listing Statement.

Name and Municipality of Residence ⁽¹⁾	Proposed Office with Resulting Issuer	Principal Occupation for Previous Five Years ⁽¹⁾	Number ⁽²⁾ and Percentage of Resulting Issuer Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽³⁾
Chad Moss ⁽⁴⁾ Fort Lauderdale, Florida, United States	Chairman of the Board of Directors; Director	Executive Vice President of Moss & Associates since 2013 (previously, Operational Senior Vice President from August 2004 to 2012).	Nil (0%) ⁽⁵⁾
Brady Cobb Fort Lauderdale, Florida, United States	Chief Executive Officer; Director	Chief Executive Officer and director of Bluma Wellness Inc. (since June 2020), Chief Executive Officer (from October 2018 to June 2020) and Director (from July 2018 to June 2020) of SOL Global Investments Corp., Chief Legal Officer of Liberty Health Sciences Inc. from Sept 2017 to June 2018, founder and principal of Florida-based law firm and lobbying group Cobb Eddy, PLLC since 2013.	1,150,087(1.39%) ⁽⁶⁾
Michael Bondurant ⁽⁴⁾ Fort Lauderdale, Florida, United States	President; Chief Strategy Officer; Director	President, Chief Strategy Officer and director of Bluma Wellness Inc. (since June 2020), Director of Florida & Chief Operating Officer of One Plant Florida since Oct 2018, Director of Sato Global Solutions from Apr 2015 to Sept 2018.	Nil (0%) ⁽⁷⁾
Adam Wilks ⁽⁴⁾ San Juan Capistrano, California, United States	Director	Associate of Serruya Private Equity since July 2018, Director of Operations of Kahala Brands from March 2016 to July 2018, President of Buy 'N Bulk from Aug 2013 to Feb 2016, Senior Manager Franchise Operations of Yogen Fruz from Jan 2010 to Feb 2016.	Nil (0%) ⁽⁸⁾
Harry Rosenfeld Parkland, Florida, United States	Chief Financial Officer	Chief Financial Officer of Bluma Wellness Inc. (since June 2020), Consultant at Harry Rosenfeld Consulting since 1998, providing contract CFO services to various issuers including: One Plant Florida (since May 2019); JEG and Sons, LLC (since January 2017 2018); Hale and Hearty, LLC (from June 2017 to April 2018); Chauvet and Sons, LLC (from June 2015 to December 2016); and Liberty Medical Supply, Inc. (from February 2014 to May 2015)	Nil (0%) ⁽⁹⁾

Name and Municipality of Residence ⁽¹⁾	Proposed Office with Resulting Issuer	Principal Occupation for Previous Five Years ⁽¹⁾	Number ⁽²⁾ and Percentage of Resulting Issuer Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽³⁾
Michael Smuts Sarasota, Florida United States	Chief Operating Officer	Chief Operating Officer of Bluma Wellness Inc. (since June 2020), Director of Operations and Chief Operating Officer of One Plant Florida since April 2019, Director of Operations of iAnthus Capital d/b/a Grow Healthy Florida from December 2018 to May 2019, Vice President of Operations of San Felasco Nurseries, Inc. d/b/a The Green Solution Florida from May 2016 to December 2018, General Manager of Operations of Harvest House from January 2016 to May 2016, General Manager of Operations of Boulder Wellness Center from June 2015 to January 2016.	Nil (0%) ⁽¹⁰⁾
Christopher S. Polaszek Tampa, Florida, United States	Chief Legal Officer; Corporate Secretary	Chief Legal Officer and Corporate Secretary of Bluma Wellness Inc. (since June 2020), Chief Legal Officer of One Plant Florida since January 2020, Managing Partner of The Polaszek Law Firm, PLLC since January 2016, Chief Legal Officer of American Patriot Brands, Inc. from August 2018 to October 2019, Co-Chairman of the Securities Fraud, Commodities Fraud and Antitrust Class Action Department of Morgan & Morgan (Law Firm) from April 2012 to December 2015.	Nil (0%) ⁽¹¹⁾

Notes:

- (1) The information as to municipality of residence and principal occupation has been furnished by the respective directors and officers of the Resulting Issuer individually.
- (2) The information as to the number of Resulting Issuer Shares beneficially owned or over which a director or officer of the Resulting Issuer exercises control or direction has been furnished by the respective directors and officers individually.
- (3) On a non-diluted basis after giving effect to the Consolidation, based on 82,780,962 Resulting Issuer Shares being issued and outstanding as of the date of the Closing Date.
- (4) Member of the Audit Committee.
- (5) Mr. Moss was awarded 250,000 Resulting Issuer RSUs on the Closing Date.
- (6) Mr. Cobb was awarded 900,000 Resulting Issuer RSUs on the Closing Date.
- (7) Mr. Bondurant was awarded 800,000 Resulting Issuer RSUs on the Closing Date.
- (8) Mr. Wilks was awarded 250,000 Resulting Issuer RSUs on the Closing Date.
- (9) Mr. Rosenfeld was awarded 20,000 Resulting Issuer RSUs on the Closing Date.
- (10) Mr. Smuts was awarded 250,000 Resulting Issuer RSUs on the Closing Date.
- (11) Mr. Polaszek was awarded 70,000 Resulting Issuer RSUs on the Closing Date.

As of the date of this Listing Statement, the directors and officers of the Resulting Issuer collectively, beneficially own, directly or indirectly, or exercise control or direction over 1,150,087 Resulting Issuer Shares (representing 1.39% of the issued and outstanding Resulting Issuer Shares) on a non-diluted basis after giving effect to the Consolidation.

Under National Instrument 52-110 – *Audit Committees*, an independent director is one who is free from any direct or indirect material relationship with the issuer, which could, in the view of the issuer’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment. Messrs. Brady Cobb and Michael Bondurant, as officers of the Resulting Issuer, are not considered to be independent directors of the Resulting Issuer. Messrs. Chad Moss and Adam Wilks are considered to be independent directors.

The following are brief biographies of the Resulting Issuer's directors and officers:

Chad Moss – Age: 50 – Chairman of the Board of Directors

Mr. Moss is a co-founder and Executive Vice President of Moss & Associates, LLC, a national construction management company headquartered in Fort Lauderdale, Florida, and is known for building strong relationships throughout the United States. He is an effective and passionate advocate for building sustainability, new technology, and mentoring in industry. Chad also serves as President of the Moss Foundation, a non-profit organization established to provide a platform for the South Florida community. The Foundation supports other non-profit organizations and partners, promoting the premise that Moss is not just about building structures, but are helping to build communities.

As Executive Vice President of Moss & Associates, LLC, Mr. Moss was responsible for project procurement, business development, budgeting, marketing, account management and employee recruitment, among other business functions. Moss & Associates, LLC has participated in and completed a number of high profile projects in the State of Florida, including: the Marlins Park, airport and cruise terminals, facilities at academic institutions including Florida International University, and vacation properties including Margaritaville Vacation Club by Wyndham.

Mr. Moss will serve as Chairman and a director of the Resulting Issuer following the completion of the RTO Transaction, and will be leading and assisting on all levels of the enterprise's physical plant expansion. Mr. Moss will also serve as a member of the Resulting Issuer's Audit Committee. Mr. Moss graduated with a degree in Construction Management from Florida International University, and has enjoyed a national construction and development career based in south Florida.

Brady Cobb – Age: 39 – Chief Executive Officer and Director

From October 2018 to June 1, 2020, Mr. Cobb served as CEO of SOL Global Investments, an investment company that specializes in making strategic investments in the budding U.S. cannabis sector as well as Esports and the CBD markets. Since April 2019, Brady has been focused on the build-out and scale-up of the One Plant Florida, a licensed medical marijuana treatment center, and One Plant Florida has emerged as an up and coming operator with a focus on an authentic, premium product experience and a bottom line focused home delivery model and retail network. Brady has also emerged as an advocate for medical cannabis use and has been instrumental in the legal and regulatory development of the U.S. cannabis market, both at the state and federal level. Prior to leading SOL Global, Brady was a practicing attorney in South Florida with a focus on mergers and acquisitions, regulatory and governmental relations, and compliance/shareholder disclosure issues with the Toronto Stock Exchange, CSE and Nasdaq Capital Market. He is routinely featured in national media including Bloomberg, ABC News, Fox Business, MarketWatch, Cheddar TV, Newsweek, Yahoo Finance, and Real Clear Markets. Additionally, Brady served as the Liberty Health Sciences (LHS:CSE) Chief Legal Officer from inception through July of 2018 when he accepted a position on the board of directors of SOL Global Investments. Mr. Cobb is a proud graduate of Florida State University and obtained his Juris Doctor degree from the Barry University School of Law.

Michael Bondurant – Age: 50 – President, Chief Strategy Officer and Director

Mr. Bondurant was Director of Florida & Chief Operating Officer for 3 Boys Farm, LLC, a Florida-based Medical Marijuana Treatment Center licensee. Mr. Bondurant will serve as President, Chief Strategy Officer and a director of the Resulting Issuer. He will also serve as a member of the Resulting Issuer's Audit Committee. Mr. Bondurant has been involved in the Florida cannabis industry for approximately 20 months. Michael, a former Director at Sato Global Solutions, provided consultative services for supply chain, inventory management, transportation, packaging, postal, information technology, procurement and retail. Michael has nearly 20 years of experience in senior banking and finance and is also involved in real estate financing, closely-held businesses and money management in the eastern United States. Michael is a veteran of the Armed Services, having served in the United States Coast Guard from 1988 – 1993. Mr. Bondurant is a graduate of Florida State University.

Adam Wilks – Age: 34 – Director

Combined with academic studies in Business Management, Mr. Wilks brings over a dozen years' experience in the quick service restaurant (QSR) industry, having worked with brands including Yogen Fruz, Pinkberry, Cold Stone Creamery. Mr. Wilks also co-founded the Buy N Bulk brand. Adam's management responsibilities in the QSR industry have included operations, quality control, business development and entrepreneurial partnerships, new store development and construction management. Adam currently serves as the Chief Operating Officer of One Plant (Three Habitat Consulting Holdco Inc.) and oversees the company's chain of dispensaries and real estate portfolio in California. Adam serves on the board of one of California's leading cannabis brands, Old Pal, and on the board of Sacred CBD. Further, for the past 3 years Adam has been involved with Serruya Private Equity, focusing on cannabis-specific investments and including responsibility for due diligence regarding retail operations, cultivation, manufacturing, and distribution. Mr. Wilks will serve as a director of the Resulting Issuer and will serve as Chair of the Audit Committee.

Harry Rosenfeld – Age: 58 – Chief Financial Officer

Mr. Rosenfeld is a Certified Public Accountant (inactive status) with over 35 years of experience including serving as Chief Financial Officer of public companies in the United States across numerous industries including transportation, manufacturing, restaurants and distribution. Mr. Rosenfeld began his career in 1984 in public accounting with KPMG in the United States. He then held numerous accounting positions with both public and private companies including Ryder Systems, Inc. and Alamo Rental Car. He is an accomplished financial strategist with analytical and transactional skills and experience communicating with stock exchanges, regulators, bankers and other key stakeholders. He has extensive experience in investment banking and has facilitated the sales of numerous companies. Mr. Rosenfeld has operated Harry Rosenfeld Consulting since 1998, providing contract Chief Financial Officer and other financial, accounting, restructuring and acquisition services to companies across the United States. Mr. Rosenfeld obtained a Bachelor's of Business Administration degree from the University of Miami.

Michael Smuts – Age: 37 – Chief Operating Officer

Mr. Smuts managed the opening of Natural Remedies in 2009, the City of Denver's first 20 dispensaries. Mr. Smuts also served in numerous roles across retail, cultivation and administrative operations at Patient's Choice/Livegreen, and The Green Solution in Denver,

Colorado, The Boulder Wellness Center in Boulder, Colorado, and Harvest House in Nederland, Colorado. He was also a part of teams and processes to design, build, and run operations for Florida's sixth and seventh Medical Marijuana Treatment Centers. Mr. Smuts served as VP of Operations of San Felasco Nurseries/The Green Solution in Gainesville, Florida and Director of Operations for GrowHealthy/iAnthus in Lake Wales, Florida. In 2019, Mr. Smuts was appointed to the Florida Department of Agriculture & Consumer Services Medical Marijuana Committee under Commissioner, Nikki Fried, and Cannabis Director, Holly Bell.

Christopher S. Polaszek – Age: 49 – Chief Legal Officer and Corporate Secretary

Mr. Polaszek has over 20 years of experience in the legal industry with a strong background in Mergers & Acquisitions, Investor Relations, Capital Markets, Negotiations, Dispute Resolution and Complex Commercial Litigation. Mr. Polaszek's legal experience with companies in highly regulated markets led to his focus in the cannabis market. Mr. Polaszek was the Chief Legal Officer and head of Mergers & Acquisitions for a multi-state cannabis company and has served as the Chief Legal Officer for a training and fitness company operating in Florida. Mr. Polaszek has also worked with and counseled professional and Olympic athletes for a number of years. In addition to his professional career, Mr. Polaszek personally dedicates a significant amount of time to charitable, civic, and community organizations in Tampa Bay, Florida and the surrounding areas.

Unless otherwise noted above, each proposed officer of the Resulting Issuer is expected to devote his full time and attention to the business of the Resulting Issuer and will be employed by the Resulting Issuer. The proposed directors of the Resulting Issuer who are not also executive officers are not expected to be employed by the Resulting Issuer. None of the proposed officers of the Resulting Issuer have entered into employment, non-competition or confidentiality agreements with the Resulting Issuer as of the date hereof; however the Resulting Issuer anticipates that it will enter into such agreements with its officers in connection with the completion of the RTO Transaction.

13.2 Board Committees

The Resulting Issuer has established an audit committee (the "**Audit Committee**") of the Resulting Issuer Board and may in the future establish such other committees as determined to be appropriate. A brief description of the Audit Committee is set out below.

Audit Committee

The Audit Committee will assist the Resulting Issuer Board in fulfilling its responsibilities for oversight of financial and accounting matters. The Audit Committee will review the financial reports and other financial information provided by the Resulting Issuer to regulatory authorities and the Resulting Issuer Shareholders, will review the Resulting Issuer's system of internal controls regarding finance and accounting including auditing, accounting and financial reporting processes and will monitor the performance and independence of the Resulting Issuer's external auditors. The Audit Committee will be responsible for reviewing with management the Resulting Issuer's risk management policies, the timeliness and accuracy of the Resulting Issuer's regulatory filings and all related party transactions as well as the development of policies and procedures related to such transactions.

The Audit Committee operates under a written charter which sets forth the purpose, composition, authority and responsibility of the Audit Committee.

The members of the Audit Committee include the following three directors. Also indicated is whether each director is “independent” and “financially literate” within the meaning of NI 52-110:

Name	Independence ⁽¹⁾	Financial Literacy ⁽²⁾
Chad Moss	Yes	Yes
Adam Wilks	Yes	Yes
Michael Bondurant	No	Yes

Notes:

- (1) The Resulting Issuer is a “venture issuer” as defined in NI 52-110. The Resulting Issuer expects that it will rely on the exemption available in Section 6.1 of NI 52-110, which among other things, exempts venture issuers from the requirement that the Audit Committee be composed of independent members. A member of the Audit Committee is independent if he or she has no direct or indirect ‘material relationship’ with the Resulting Issuer. A material relationship is a relationship which could, in the view of the Resulting Issuer Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. An executive officer of the Resulting Issuer, such as the President or Secretary, is deemed to have a material relationship with the Resulting Issuer. The Audit Committee, as it is constituted above, complies with the requirements of Section 6.1.1 of NI 52-110 for venture issuers as: (i) every member of the Audit Committee is a director of the Resulting Issuer; and (ii) a majority of the members of the Audit Committee are not executive officers, employees or control persons of the Resulting Issuer.
- (2) A member of the Audit Committee is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Resulting Issuer’s financial statements.
- (3) Mr. Wilks is expected to be the Chair of the Audit Committee.

For a description of the education and experience of each proposed member of the Audit Committee, see *Section 13.1 – Directors and Officers*.

13.3 Cease Trade Orders and Bankruptcies

Other than as disclosed below, no director or officer of the Resulting Issuer or a securityholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within 10 years before the date of this Listing Statement has been, a director or officer of any other issuer that, while the Person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Polaszek served as Chief Legal Officer of American Patriot Brands, Inc. which was subject to an order issued by the SEC dated September 10, 2019 (the “**Order**”). The Order was issued as a result of APB’s failure to prepare and file its financial records and periodic reports, including its annual Form 10-K, from January 1, 2016 through September 10, 2019. On October 9, 2019, APB and the SEC entered into a settlement of the Order pursuant to an Order Making Findings and Revoking Registration of Securities Pursuant to Section 12(j) of the U.S. Securities Exchange Act. APB’s securities were deregistered by the SEC on October 9, 2019.

13.4 Penalties & Sanctions

Other than as disclosed below, no director or officer of the Resulting Issuer, or a securityholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
- (b) been subject to any penalties imposed by a United States court, administrative tribunal, or federal or state securities regulatory authority (including the SEC or the Florida Office of Financial Regulation); or
- (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

In August 2016, Mr. Smuts voluntarily entered into a Stipulation, Agreement and Order (the “**SAO**”) in connection with an investigation by the Marijuana Enforcement Division of the Colorado Department of Revenue, the department responsible for regulating the licensing of the sale of marijuana in the State of Colorado (the “**Colorado Division**”). The SAO was premised on the Colorado Division’s allegations that Mr. Smuts violated certain State rules and regulations pertaining to the age verification requirements applicable to the retail sale of marijuana and that retail marijuana was sold to a person that was 20, but not yet 21, years of age. The SAO had the effect of, among other things, suspending Mr. Smuts’ license to sell marijuana for 90 days.

13.5 Personal Bankruptcies

No director or officer of the Resulting Issuer, or a securityholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

13.6 Conflicts of Interest

Certain of the directors and/or officers of the Resulting Issuer serve as directors and/or officers of other companies or have shareholdings in other companies. Such associations may give rise to conflicts of interest from time to time. To the knowledge of the Resulting Issuer, there are no known existing or potential conflicts of interest with any of the Resulting Issuer's directors or officers. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest and fiduciary duties, including the procedures prescribed by the BCBCA respecting disclosable interests. The BCBCA requires, among other things, that directors and officers of the Resulting Issuer, who are also directors or officers of, or who have a material interest in, a party which enters into a material contract or transaction with the Resulting Issuer or otherwise have a material interest in a material contract or transaction entered into by the Resulting Issuer, must disclose their interest and, in certain instances, refrain from voting on any resolution of the Resulting Issuer Board to approve the contract or transaction.

13.7 Other Reporting Issuer Experience

The following directors, officers or promoters of the Resulting Issuer are, or within the past five (5) years have been, directors, officers or promoters of the following reporting issuers:

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	From	To
Brady Cobb	SOL Global Investments Corp.	CSE	CEO; Director	10/2018; 07/2018	06/2020
	Liberty Health Sciences Inc.	CSE	Chief Legal Officer	09/2017	06/2018
Christopher Polaszek	American Patriot Brands, Inc.	OTC Link	Chief Legal Officer	08/2018	10/2019

14. CAPITALIZATION

To the best of the knowledge and estimation of the Resulting Issuer, the following table sets out the number of Resulting Issuer Shares available in the Resulting Issuer's public float and freely-tradeable float on a fully diluted basis and on a non-diluted basis as of the date of this Listing Statement.

14.1 Issued Capital

	Number of Resulting Issuer Shares (non-diluted) ⁽¹⁾	Number of Resulting Issuer Shares (fully diluted) ⁽¹⁾⁽²⁾	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	82,780,962	143,502,462	100%	100%
Held by Related Persons or employees of the Resulting Issuer or Related Person of the Resulting Issuer, or by persons or companies who beneficially own or control,	50,694,546	90,739,546	61.24%	63.23%

	Number of Resulting Issuer Shares (non-diluted) ⁽¹⁾	Number of Resulting Issuer Shares (fully diluted) ⁽¹⁾⁽²⁾	% of Issued (non- diluted)	% of Issued (fully diluted)
directly or indirectly, more than a 5% voting position in the Resulting Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer upon exercise or conversion of other securities held) (B)				
Total Public Float (A-B)	32,086,416	52,762,916	38.76%	36.77%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders. (C)	71,965,000 ⁽³⁾	71,965,000 ⁽³⁾	86.93%	50.15%
Total Tradeable Float (A-C)	10,815,962	71,537,462	13.07%	49.85%

Notes:

- (1) On a post-Consolidation basis.
- (2) Assuming the conversion of the outstanding principal amount of the Resulting Issuer Convertible Debentures at a Conversion Price of \$0.80 per Resulting Issuer Debenture Unit, which would result in the issuance of approximately 20,888,750 Resulting Issuer Shares and 20,888,750 Resulting Issuer Warrants.
- (3) Representing the aggregate number of Resulting Issuer Shares subject to the BCA Lock-Up, net of 5,835,000 Resulting Issuer Shares which were released from the BCA Lock-Up on the Closing Date.

Public Securityholders (Registered)

Class of Security: Resulting Issuer Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 Resulting Issuer Shares	3	15
100 – 499 Resulting Issuer Shares	0	0
500 – 999 Resulting Issuer Shares	0	0
1,000 – 1,999 Resulting Issuer Shares	0	0
2,000 – 2,999 Resulting Issuer Shares	0	0
3,000 – 3,999 Resulting Issuer Shares	0	0
4,000 – 4,999 Resulting Issuer Shares	3	10,866
5,000 or more Resulting Issuer Shares	95	31,175,478
Total	101	31,186,359

Public Securityholders (Beneficial)

Class of Security: Resulting Issuer Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 Resulting Issuer Shares	135	2,277
100 – 499 Resulting Issuer Shares	35	9,360

Size of Holding	Number of holders	Total number of securities
500 – 999 Resulting Issuer Shares	9	6,346
1,000 – 1,999 Resulting Issuer Shares	16	23,603
2,000 – 2,999 Resulting Issuer Shares	5	12,962
3,000 – 3,999 Resulting Issuer Shares	4	13,222
4,000 – 4,999 Resulting Issuer Shares	1	4,052
5,000 or more Resulting Issuer Shares	17	387,823
Unable to determine	-	440,412
Total	222	900,057

Non-Public Securityholders (Registered)

Class of Security: Resulting Issuer Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 Resulting Issuer Shares	0	0
100 – 499 Resulting Issuer Shares	0	0
500 – 999 Resulting Issuer Shares	0	0
1,000 – 1,999 Resulting Issuer Shares	0	0
2,000 – 2,999 Resulting Issuer Shares	0	0
3,000 – 3,999 Resulting Issuer Shares	0	0
4,000 – 4,999 Resulting Issuer Shares	0	0
5,000 or more Resulting Issuer Shares	7	50,694,546
Total	7	50,694,546

14.2 Convertible/Exchangeable Securities

As of the date of this Listing Statement, the Resulting Issuer has the following convertible securities outstanding:

Description of Security	Number or Principal Amount of Convertible/Exchangeable Securities Outstanding	Number of Resulting Issuer Shares Issuable upon Conversion/Exercise
Resulting Issuer Options	Nil.	Nil.
Resulting Issuer Warrants ⁽¹⁾	11,694,000	11,694,000
Resulting Issuer RSUs ⁽²⁾	7,250,000	7,250,000 ⁽³⁾
Resulting Issuer Convertible Debentures ⁽⁴⁾	\$16,711,000	41,777,500 ⁽⁵⁾
TOTAL		60,721,500

Notes:

- (1) Consisting of: (i) 11,640,000 Resulting Issuer Warrants, each of which entitles the holder to purchase one Resulting Issuer Share at a price of \$1.00 per Resulting Issuer Share for a period of 24 months from the date of issuance; and (ii) 54,000 Resulting Issuer Warrants, each of which entitles the holder to purchase one Resulting Issuer Share at a price of \$2.00 per Resulting Issuer Share, on or before May 6, 2021.
- (2) Of the aggregate 7,250,000 Resulting Issuer RSUs awarded on the Closing Date, 5,100,000 Resulting Issuer RSUs vested on the Closing Date. The remaining 2,150,000 Resulting Issuer RSUs will vest in thirds, with one third having vested on the

Closing Date and one third vesting on each of January 1, 2021, and January 1, 2022. For further information on the awards of Resulting Issuer RSUs, see *Section 9 – Options to Purchase Securities*.

- (3) The Resulting Issuer RSU Plan provides that the Resulting Issuer shall have the option of settling the award value payable in respect of a vested Resulting Issuer RSU in cash or in Resulting Issuer Shares. Although the Resulting Issuer may not determine the form of payment in respect of a vested Resulting Issuer RSU until the applicable vesting date, or some reasonable time prior thereto, for the purposes of calculating the number of Resulting Issuer Shares issuable in respect of the Resulting Issuer RSUs, the Resulting Issuer has assumed that the award value payable in respect of all vested Resulting Issuer RSUs will be satisfied in Resulting Issuer Shares.
- (4) Each Resulting Issuer Convertible Debenture is convertible, on or before the Convertible Debenture Maturity Date, into Resulting Issuer Debenture Units as set out in *Section 3.1 – General Development of the Business of CannCure – 2020 Financing Activities*.
- (5) Assuming the conversion of the outstanding principal amount of the Resulting Issuer Convertible Debentures at a Conversion Price of \$0.80 per Resulting Issuer Debenture Unit, which would result in the issuance of approximately 20,888,750 Resulting Issuer Shares and 20,888,750 Resulting Issuer Warrants.

14.3 Other Listed Securities

Section 14.3 of CSE - Form 2A is not applicable to the Resulting Issuer.

15. EXECUTIVE COMPENSATION

For the purposes of this section, the Named Executive Officers are the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Resulting Issuer or a Subsidiary, other than the Chief Executive Officer and the Chief Financial Officer, whose total compensation was more than CAD\$150,000.

Prior to the completion of the RTO Transaction, the NEOs of Goldstream were Michael Galloro (President, Chief Executive Officer, Chief Financial Officer and Director) and Jonathan Held (Corporate Secretary and Director).

The NEOs of the Resulting Issuer are Brady Cobb (Chief Executive Officer and Director), Harry Rosenfeld (Chief Financial Officer) and Michael Bondurant (President, Chief Strategy Officer and Director)

15.1 Compensation Discussion

General

The Resulting Issuer is still in its early stages of development following completion of the RTO Transaction. The Resulting Issuer will not immediately have a compensation committee but may establish one in the near term. Initially, the compensation program for the Resulting Issuer will only provide for a base amount of cash compensation, with no formal bonus program in place. The Resulting Issuer awarded Resulting Issuer RSUs to its NEOs and directors on the Closing Date in accordance with the terms of the Resulting Issuer RSU Plan. The Resulting Issuer may in the future grant Resulting Issuer Options to its NEOs or directors pursuant to the terms of the Resulting Issuer Option Plan.

Other than as described above, the Resulting Issuer does not intend to provide the NEOs or directors with any additional personal benefits, nor does the Resulting Issuer intend to provide any additional compensation to its NEOs for serving as directors.

The Resulting Issuer Board as a whole will determine the level of compensation in respect of the Resulting Issuer's senior executives. The Resulting Issuer has no long-term incentive award plans other than for the Resulting Issuer Option Plan and the Resulting Issuer RSU Plan. There are no

pension plan benefits in place for the Resulting Issuer's executives and none of the NEOs, senior officers or directors are indebted to the Resulting Issuer. In addition, there are no plans in place with respect to the NEOs for termination of employment or change in responsibilities.

Base Salaries

To set base compensation levels, the Resulting Issuer gave consideration to objective factors such as level of responsibility, experience and expertise and subjective factors such as leadership, commitment and attitude.

Bonus Plan

If and when any bonus awards are determined to be issuable, they will be determined by reference to the Resulting Issuer's actual performance relative to objectives and individual contributions toward such performance. All awards made to executive officers will be subject to the review and approval of the Resulting Issuer Board and will be examined in absolute terms as well as in relation to peer company performance.

Resulting Issuer Option Plan and Resulting Issuer RSU Plan

Directors and executive officers of the Resulting Issuer are eligible to receive Resulting Issuer Options and Resulting Issuer RSUs pursuant to the Resulting Issuer Option Plan and the Resulting Issuer RSU Plan respectively. As of the date of this Listing Statement, there are no Resulting Issuer Options outstanding. The directors and officers of the Resulting Issuer were collectively awarded an aggregate of 2,540,000 Resulting Issuer RSUs on the Closing Date. For a full description of the Resulting Issuer Option Plan and the Resulting Issuer RSU Plan, see *Section 9 – Options to Purchase Securities*.

Director Compensation

The Resulting Issuer does not intend to implement any pension plan or other arrangement for non-cash compensation for its directors who are not NEOs, except for Resulting Issuer Options and Resulting Issuer RSUs which may be issued in accordance with the terms of the Resulting Issuer Option Plan and the Resulting Issuer RSU Plan respectively. In the 12 months following the completion of the RTO Transaction, the Resulting Issuer may issue Resulting Issuer Options or Resulting Issuer RSUs to directors, officers, employees and other service providers from time to time.

Other than as set forth below, no director of the Resulting Issuer who is not an NEO will receive compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

15.2 Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly for each of the two most recently completed financial years to the Named Executive Officers and the directors of Goldstream.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES ⁽¹⁾							
Name and position	Year	Salary, consulting fee, retainer or commission (CAD\$)	Bonus (CAD\$)	Committee or meeting fees (CAD\$)	Value of perquisites (CAD\$)	Value of all other compensation (CAD\$)	Total compensation (CAD\$)
Michael Galloro President, Chief Executive Officer, Chief Financial Officer and Director	2019	\$30,000 ⁽¹⁾	Nil	Nil	Nil	Nil	\$30,000
	2018	\$30,000 ⁽¹⁾	Nil	Nil	Nil	Nil	\$30,000
Jonathan Held Corporate Secretary and Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Anthony Vella Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) All fees are paid to ALOE Finance Inc., and excludes CAD\$80,000 accrued, which remains payable for transaction support and other services rendered to the business. As at December 31, 2019, \$182,882 remained payable.

The following table sets out all anticipated annual compensation to be paid to the Named Executive Officers and directors of the Resulting Issuer during the twelve-month period following the closing of the RTO Transaction.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Brady Cobb Chief Executive Officer, Director	2020	\$285,000 ⁽¹⁾	\$Nil	\$Nil	\$Nil	\$Nil	\$285,000
Harry Rosenfeld Chief Financial Officer	2020	\$250,000	\$Nil	\$Nil	\$Nil	\$Nil	\$250,000
Michael Bondurant President, Chief Strategy Officer, Director	2020	\$280,000 ⁽²⁾	\$Nil	\$Nil	\$Nil	\$Nil	\$280,000
Chad Moss Chairman, Director	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Adam Wilks, Director	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

Notes:

- (1) All compensation payable to Mr. Cobb by the Resulting Issuer will be in respect of his role as Chief Executive Officer of the Resulting Issuer.
- (2) All compensation payable to Mr. Bondurant by the Resulting Issuer will be in respect of his roles as President and Chief Strategy Officer of the Resulting Issuer.

15.3 Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of Goldstream during the most recently completed financial year of Goldstream for services provided or to be provided, directly or indirectly, to Goldstream or any of its subsidiaries:

COMPENSATION SECURITIES							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on the date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Michael Galloro President, Chief Executive Officer, Chief Financial Officer and Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Jonathan Held Corporate Secretary and Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Anthony Vella Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A

The following table sets out the anticipated compensation securities to be granted or issued to each of the Named Executive Officers and directors of the Resulting Issuer during the twelve-month period following the closing of the RTO Transaction:

COMPENSATION SECURITIES							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on the date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Brady Cobb Chief Executive Officer, Director	Resulting Issuer RSUs ⁽²⁾	900,000 Resulting Issuer RSUs, 900,000 Resulting Issuer Shares, 0.63% ⁽³⁾⁽⁴⁾	Closing Date	N/A	N/A	N/A	N/A

COMPENSATION SECURITIES							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on the date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Harry Rosenfeld Chief Financial Officer	Resulting Issuer RSUs ⁽²⁾	20,000 Resulting Issuer RSUs, 20,000 Resulting Issuer Shares, 0.01% ⁽³⁾⁽⁵⁾	Closing Date	N/A	N/A	N/A	N/A
Michael Bondurant President, Chief Strategy Officer, Director	Resulting Issuer RSUs ⁽²⁾	800,000 Resulting Issuer RSUs, 800,000 Resulting Issuer Shares, 0.56% ⁽³⁾⁽⁴⁾	Closing Date	N/A	N/A	N/A	N/A
Chad Moss Chairman, Director	Resulting Issuer RSUs ⁽²⁾	250,000 Resulting Issuer RSUs, 250,000 Resulting Issuer Shares, 0.17% ⁽³⁾⁽⁴⁾	Closing Date	N/A	N/A	N/A	N/A
Adam Wilks, Director	Resulting Issuer RSUs ⁽²⁾	250,000 Resulting Issuer RSUs, 250,000 Resulting Issuer Shares, 0.17% ⁽³⁾⁽⁴⁾	Closing Date	N/A	N/A	N/A	N/A

Notes:

- (1) On a fully-diluted basis, based on 143,502,462 Resulting Issuer Shares being issued and outstanding as of the Closing Date and assuming the conversion of the outstanding principal amount of the Resulting Issuer Convertible Debentures at a Conversion Price of \$0.80 per Resulting Issuer Debenture Unit.
- (2) The Resulting Issuer RSUs were issued pursuant to the terms and subject to the conditions of the Resulting Issuer RSU Plan.
- (3) The Resulting Issuer RSU Plan provides that the Resulting Issuer shall have the option of settling the award value payable in respect of a vested Resulting Issuer RSU in cash or in Resulting Issuer Shares. Although the Resulting Issuer may not determine the form of payment in respect of a vested Resulting Issuer RSU until the applicable vesting date, or some reasonable time prior thereto, for the purposes of calculating the number of underlying securities and the percentage of the class of Resulting Issuer Shares, the Resulting Issuer has assumed that the award value payable in respect of all vested Resulting Issuer RSUs will be satisfied in Resulting Issuer Shares.
- (4) The Resulting Issuer RSUs granted to Messrs. Cobb, Bondurant, Moss and Wilks vested immediately on the Closing Date.
- (5) The Resulting Issuer RSUs granted to Mr. Rosenfeld will vest in thirds, with one third having vested on the Closing Date and one third vesting on each of January 1, 2021 and January 1, 2022.

The directors and officers of the Resulting Issuer, among others, are eligible to receive Resulting Issuer Options pursuant to the Resulting Issuer Option Plan and Resulting Issuer RSUs pursuant to the Resulting Issuer RSU Plan. As of the date of this Listing Statement, there are no Resulting Issuer Options outstanding and there are 7,250,000 Resulting Issuer RSUs outstanding. The Resulting Issuer Board may decide to grant new Resulting Issuer Options or issue Resulting Issuer RSUs in the future. For a full description of the Resulting Issuer Option Plan and Resulting Issuer RSU Plan, see *Section 9 – Options to Purchase Securities*.

15.4 Employment, Consulting and Management Agreements

The Resulting Issuer expects to enter into employment agreements with its executive officers following the Closing Date. In addition to the compensation set out in Sections 15.2 and 15.3, the employment agreements for each executive officer are expected to contain customary confidentiality and non-competition covenants.

Prior to the completion of the RTO Transaction, during the most recently completed financial year CannCure did not provide compensation, monetary or otherwise, to any NEO of the Resulting Issuer in connection with or related to the retirement, termination or resignation of such Person, and the Resulting Issuer will provide no compensation to any such Person as a result of a change of control of the Resulting Issuer. The Resulting Issuer will not be party to any compensation plan or arrangement with a NEO resulting from the resignation, retirement or termination of employment of any such Person.

The Resulting Issuer does not intend to implement any plan or arrangement with respect to compensation to its executive officers, which would result from the resignation, retirement or any other termination of the executive officers' employment with the Resulting Issuer or the Subsidiaries, or which would result from a change of control of the Resulting Issuer or a change in the executive officers' responsibilities following a change in control, where in respect of an executive officer the value of such compensation exceeds \$100,000.

15.5 Oversight and Description of Director and Named Executive Officer Compensation

The Resulting Issuer Board will review the compensation of its executives from time to time and will make such changes as are deemed appropriate.

15.6 Pension Disclosure

The Resulting Issuer does not intend to implement, any retirement plans, pension plans or other forms of funded or unfunded retirement compensation for its employees.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Listing Statement, none of the directors or executive officers of the Resulting Issuer, nor any of their associates, is indebted to the Resulting Issuer, and neither will any indebtedness of any of these individuals or associates to another entity be the subject of a guarantee, support agreement, letter or credit or other similar arrangement of understanding provided by the Resulting Issuer.

17. RISK FACTORS

The following are certain risk factors relating to the business of the Resulting Issuer which may cause future results to differ materially from those currently anticipated by management of the Resulting Issuer. These risks and uncertainties are not the only ones facing the Resulting Issuer. Additional risks and uncertainties, including those not presently known to the Resulting Issuer, or those which the Resulting Issuer currently deems immaterial, may also adversely affect the Resulting Issuer. If any of the following risks actually occur: (i) Resulting Issuer Shareholders could lose all or part of their investment; (ii) the business, financial condition, liquidity, results of operations and prospects of the Resulting Issuer could be materially adversely affected; and (iii) the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

The acquisition of any of the securities of the Resulting Issuer is speculative, involving a high degree of risk and should be undertaken only by Persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Resulting Issuer should not constitute a major portion of an individual's investment portfolio and should only be made by Persons who can afford

a total loss of their investment. Resulting Issuer Shareholders should evaluate carefully the following risk factors, along with the risk factors described elsewhere in this Listing Statement.

Risks Related to the Legality of Cannabis in the United States

Cannabis Remains Illegal Under U.S. Federal Law

The Resulting Issuer currently engages in the cannabis industry in the United States, both directly and indirectly, where local and state laws permit such activities. However, investors are cautioned that cannabis is a Schedule I controlled substance pursuant to the United States, Controlled Substances Act, and is illegal under U.S. federal law. Even in those states in which the use of cannabis has been legalized, manufacturing, distributing, selling and possessing cannabis remains a violation of federal law. Since federal law criminalizing the use of cannabis pre-empts state laws that legalize its use, strict enforcement of federal law regarding cannabis would harm the Resulting Issuer's business, prospects, results of operation, and financial condition. The Resulting Issuer's business activities, while believed to be compliant with applicable state and local U.S. law, are illegal under U.S. federal law.

Federal Regulation of Cannabis in the United States

Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical and recreational cannabis under the *Cannabis Act* (Canada) and the *Cannabis Regulations*, cannabis is largely regulated at the state level in the United States. To date, the cultivation and sale of cannabis for medical uses has been legalized in 33 states, four of five permanently inhabited U.S. territories and the District of Columbia. The recreational use of cannabis has been legalized in 11 states and the District of Columbia. Although certain U.S. states have legalized the sale of medical or recreational cannabis, the sale, distribution, and cultivation of cannabis and cannabis-related products remains illegal under U.S. federal law pursuant to the Controlled Substances Act. The CSA classifies cannabis as a Schedule I controlled substance, and as such, medical and recreational cannabis use is illegal under U.S. federal law.

Unless and until Congress amends the CSA with respect to cannabis (and the President approves such amendment), there is a risk that federal authorities may enforce current federal law. If that occurs, the Resulting Issuer, the Subsidiaries or other entities in which the Resulting Issuer may have an interest from time to time may be deemed to be producing, cultivating or dispensing cannabis and drug paraphernalia in violation of federal law, or the Resulting Issuer may be deemed to be facilitating the selling or distribution of cannabis and drug paraphernalia in violation of federal law with respect to the Resulting Issuer's investment in the Subsidiaries or in other entities. Since federal law criminalizing the use of cannabis pre-empts state laws that legalize its use, strict enforcement of federal law regarding cannabis is a significant risk, and would harm the Resulting Issuer's business, prospects, results of operation, and financial condition.

The prior U.S. administration attempted to address the inconsistent treatment of cannabis under state and federal law in August 2013 in the Cole Memorandum, which outlined certain priorities for the DOJ relating to the prosecution of cannabis offenses. The Cole Memorandum noted that in jurisdictions that have enacted laws legalizing cannabis in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, processing, distribution, sale and possession of cannabis, conduct in compliance with those laws and regulations was less likely to be a priority for the DOJ. The DOJ did not provide (and has not

provided since) specific guidelines for what regulatory and enforcement systems would be deemed sufficient under the Cole Memorandum.

On January 4, 2018, then-U.S. Attorney General Jeff Sessions formally issued the Sessions Memorandum, which rescinded the Cole Memorandum. The Sessions Memorandum stated, in part, that current law reflects “Congress’ determination that cannabis is a dangerous drug and cannabis activity is a serious crime”, and Mr. Sessions directed all U.S. Attorneys to enforce the laws enacted by Congress by following well-established principles when pursuing prosecutions related to cannabis activities. There can be no assurance that the federal government will not enforce federal laws relating to cannabis in the future. Mr. Sessions resigned as U.S. Attorney General on November 7, 2018. On February 14, 2019, William Barr was confirmed as U.S. Attorney General. It is unclear what impact this development will have on U.S. federal government enforcement policy.

As a result of the conflicting views between state legislatures and the federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. Federal law pre-empts state law in these circumstances, so that the federal government can assert criminal violations of federal law despite compliance with state law. There can be no assurances that the U.S. federal government will not seek to enforce applicable laws against the Resulting Issuer.

Violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on the Resulting Issuer, including its reputation and ability to conduct business, its holding (directly or indirectly) of cannabis licenses in the United States, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of the Resulting Issuer Shares, if listed and posted for trading on the Exchange. In addition, it is difficult to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

General Regulatory and Legal Risks

U.S. State Regulatory Uncertainty

The activities of the Resulting Issuer are, and will continue to be, subject to evolving regulation and interpretation by various governmental authorities. The medical and recreational cannabis industries are subject to various local, state and federal laws, regulations, guidelines, and licensing requirements relating to the manufacture, sale, distribution, management, transportation, storage, and disposal of medical cannabis, as well as being subject to laws and regulations relating to health and safety, the conduct of operations, and the protection of the environment. Variations exist among states that have legalized, decriminalized or created medical marijuana exemptions.

As a result of the conflicting views between state legislatures and the federal government regarding cannabis, the rulemaking process for cannabis operators at the state level in any state will be ongoing and result in frequent changes. As a result, a compliance program is essential to

manage regulatory risk. All operating policies and procedures implemented in the operation will be compliance-based and derived from the state regulatory structure governing ancillary cannabis businesses and their relationships to state-licensed or permitted cannabis operators, if any. Notwithstanding the Resulting Issuer's efforts, regulatory compliance and the process of obtaining regulatory approvals can be costly and time-consuming. No assurance can be given that the Resulting Issuer will receive the requisite licenses, permits or cards to operate its businesses.

In addition, local laws and ordinances could restrict the Resulting Issuer's business activity. Although legal under the laws of the states in which the Resulting Issuer's business will operate, local governments have the ability to limit, restrict, and ban cannabis businesses from operating within their jurisdiction. Land use, zoning, local ordinances, and similar laws could be adopted or changed, and have a material adverse effect on the Issuer's business.

The Resulting Issuer currently operates in the State of Florida and may in the future expand into other states in which the production, distribution and use of cannabis is permitted under state law, as deemed appropriate by management.

Risk of Legal, Regulatory or Political Change

The success of the business strategy of the Resulting Issuer depends on the legality of the cannabis industry. The constant evolution of laws and regulations affecting the cannabis industry could detrimentally affect the Resulting Issuer. The current and proposed operations of the Resulting Issuer and the Subsidiaries are subject to a variety of local, state and federal medical cannabis laws and regulations relating to the manufacture, management, transportation, storage and disposal of cannabis, as well as laws and regulations relating to consumable products, health and safety, the conduct of operations and the protection of the environment. These laws and regulations are broad in scope and subject to evolving interpretations, which could require the Resulting Issuer to incur substantial costs associated with compliance or alter certain aspects of their business plans.

In addition, violations of these laws, or allegations of such violations, could disrupt certain aspects of the business plans of the Resulting Issuer and result in a material adverse effect on certain aspects of its planned operations. These laws and regulations are rapidly evolving and subject to change with minimal notice. Regulatory changes may adversely affect the Resulting Issuer's profitability or cause it to cease operations entirely. The cannabis industry may come under the scrutiny or further scrutiny by the FDA, the SEC, the DOJ, the Financial Industry Regulatory Advisory or other federal or applicable state or non-governmental regulatory authorities or self-regulatory organizations that supervise or regulate the production, distribution, sale or use of cannabis for medical or adult-use purposes in the United States.

It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any proposals will become law. The medical and adult-use cannabis industries are subject to significant regulatory change at both the State and federal level. The regulatory uncertainty surrounding the industries may adversely affect the business and operations of the Resulting Issuer, including without limitation, the costs to remain compliant with applicable laws, the impairment of its business or the ability to raise additional capital. In addition, the Resulting Issuer will not be able to predict the nature of any future laws, regulations, interpretations or applications, and it is possible that regulations may be enacted in the future that will be directly applicable to its business. The inability of the Resulting Issuer to respond to the changing regulatory landscape may cause it to not be successful in capturing significant market

share and could otherwise harm its business, results of operations, financial condition or prospects.

There is no assurance that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing state laws are repealed or curtailed, the Resulting Issuer's business or operations in those states or under those laws would be materially and adversely affected. Federal actions against any individual or entity engaged in the cannabis industry or a substantial repeal of cannabis related legislation could adversely affect the Resulting Issuer, its business, its assets or investments and its shareholders.

The Resulting Issuer is aware that multiple states are considering special taxes or fees on businesses in the cannabis industry. It is a potential yet unknown risk at this time that other states are in the process of reviewing such additional fees and taxation. This could have a material adverse effect upon the Resulting Issuer's business, results of operations, financial condition or prospects.

Heightened Scrutiny by Canadian Authorities

For the reasons set forth above, the business, operations and investments of the Resulting Issuer in the U.S., and any future businesses, operations and investments, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, the Resulting Issuer may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Resulting Issuer's ability to invest or hold interests in other entities in the U.S. or any other jurisdiction, in addition to those described herein.

On February 8, 2018, the Canadian Securities Administrators published Staff Notice 51-352 describing the Canadian Securities Administrators' disclosure expectations for specific risks facing issuers with cannabis-related activities in the U.S. Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. cannabis-related activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry.

CDS Clearing and Depository Services Inc. ("**CDS**") is Canada's central securities depository, clearing and settling trades in the Canadian equity, fixed income and money markets. On February 8, 2018, following discussions with the Canadian Securities Administrators and recognized Canadian securities exchanges, the TMX Group, which is the owner and operator of CDS, announced the signing of a Memorandum of Understanding ("**MOU**") between CDS, Aequis NEO Exchange Inc., the CSE and the Toronto Stock Exchange, confirming that CDS relies on such exchanges to review the conduct of listed issuers.

The MOU notes that securities regulation requires that the rules of each of the exchanges must not be contrary to the public interest and that the rules of each of the exchanges have been approved by the securities regulators. Pursuant to the MOU, CDS will not ban deposits of or

transactions for clearing and settlement of securities of issuers with cannabis-related activities in the U.S.

Although the MOU indicated that there are no plans to ban the settlement of securities through CDS, there can be no guarantee that the settlement of securities will continue in the future. If such a ban were to be implemented, it would have a material adverse effect on the ability of holders of Resulting Issuer Shares to make and settle trades. In particular, the Resulting Issuer Shares would become highly illiquid until an alternative (if available) was implemented, and investors would have no ability to effect a trade of their shares through the facilities of a stock exchange.

Regulatory Scrutiny of the Resulting Issuer's Interests in the United States

For the reasons set forth above, the Resulting Issuer's interests in the United States cannabis market, and future licensing arrangements, may become the subject of heightened scrutiny by regulators, stock exchanges, clearing agencies and other authorities in the United States. As a result, the Resulting Issuer may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Resulting Issuer's ability to carry on its business in the United States.

Nature of the Business Model

Since the cultivation, processing, production, distribution, and sale of cannabis for any purpose, medical, adult-use (i.e., recreational), or otherwise, remain illegal under United States federal law, it is possible that the Resulting Issuer and/or the Subsidiaries may be forced to cease activities. The United States federal government, through, among others, the DOJ, its sub-agency the Drug Enforcement Agency ("DEA"), and the IRS, have the right to actively investigate, audit and shut-down cannabis growing facilities, processors and retailers. The U.S. federal government may also attempt to seize the property of the Resulting Issuer or any Subsidiary or other entity of the Resulting Issuer. Any action taken by the DOJ, the DEA and/or the IRS to interfere with, seize, or shut down the operations of the Resulting Issuer, a Subsidiary or other entity of the Resulting Issuer, will have an adverse effect on their businesses, operating results and financial condition.

State Licensing

State licenses in the U.S. are subject to ongoing compliance and reporting requirements. Failure by the Resulting Issuer to comply with the requirements of licenses or any failure to maintain licenses would have a material adverse impact on the business, financial condition and operating results of the Resulting Issuer. The duration and success of the Resulting Issuer's efforts to obtain, amend and renew permits and licenses are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the relevant permitting or licensing authority. Should any state in which the Resulting Issuer considers a license important: (i) not grant, extend or renew and license; (ii) renew any license on different terms than required by the Resulting Issuer; (iii) decide to grant more than the anticipated number of licenses; or (iv) subsequently suspend or revoke any license of the Resulting Issuer, the business, financial condition and results of the operation of the Resulting Issuer could be materially adversely affected. Any unexpected delays or costs associated with the permitting and licensing process could impede the ongoing or proposed operations of the Resulting Issuer, which may result in a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

In certain states, the cannabis laws and regulations limit, not only the number of cannabis licenses issued, but also the number of cannabis licenses that one person or entity may own. For example, in Florida, there are also limitations on owning more than one of the licenses to operate as a vertically-integrated MMTC in that state.

The Resulting Issuer believes that, where such restrictions apply, it may still capture significant share of revenue in the market through wholesale sales, exclusive marketing relations, provision of management or support services, franchising and similar arrangements with other operators. Nevertheless, such limitations on the acquisition of ownership of additional licenses within certain states may limit the Resulting Issuer's ability to grow organically or to increase its market share in such states.

Federal and State Forfeiture Laws

As an entity that conducts business in the medical cannabis industry, the Resulting Issuer will potentially be subject to federal and state forfeiture laws (criminal and civil) that permit the government to seize the proceeds of criminal activity. Civil forfeiture laws could provide an alternative for the federal government, any state, or local police force that wants to discourage residents from conducting transactions with cannabis related businesses but believes criminal liability is too difficult to prove beyond a reasonable doubt. Individuals may be required to forfeit property considered to be from proceeds of crime even if the individual is not convicted of the crime, and the standard of proof in a civil forfeiture matter is lower than the burden in a criminal matter. Depending on the applicable law, whether federal or state, rather than having to establish liability beyond a reasonable doubt, the federal government or the state, as applicable, may be required to prove that the money or property at issue is proceeds of a crime only by either clear and convincing evidence or a mere preponderance of the evidence.

Shareholders of the Resulting Issuer located in states where cannabis remains illegal may be at risk of prosecution under federal and/or state conspiracy, aiding and abetting, and money laundering statutes, and be at further risk of losing their investments or proceeds under forfeiture statutes. Many states remain able to take action to prevent the proceeds of cannabis businesses from entering their state. Because state legalization is relatively new, it remains to be seen whether these states would take such action and whether a court would approve it. Shareholders and prospective shareholders of the Resulting Issuer should be aware of these potentially relevant federal and state laws in considering whether to invest in the Resulting Issuer.

Regulatory Action and Approvals from the Food and Drug Administration

The Resulting Issuer's cannabis-based products are supplied to patients diagnosed with certain medical conditions. However, the Resulting Issuer's cannabis-based products are not approved by the FDA as "drugs" or for the diagnosis, cure, mitigation, treatment, or prevention of any disease. Accordingly, the FDA may regard any promotion of the cannabis-based products as the promotion of an unapproved drug in violation of the *Food, Drug and Cosmetics Act of 1938* ("FDCA").

Cannabis is currently a Schedule I controlled substance under the CSA. If the federal government reclassifies cannabis as a Schedule II controlled substance, it is possible that the FDA would seek to regulate it under the FDCA. Additionally, the FDA may issue rules and regulations including good manufacturing practices, related to the growth, cultivation, harvesting and processing of medical cannabis. Clinical trials may be needed to verify efficacy and safety. It is also possible

that the FDA would require that facilities where medical-use cannabis is grown register with the FDA and comply with certain federally prescribed regulations. The potential impact of any such potential regulations on the cannabis industry is unknown, including what costs, requirements and possible prohibitions may be enforced. If the Resulting Issuer is unable to comply with the regulations or registration requirements prescribed by the FDA, it may have an adverse effect on the business, operating results and financial condition of the Resulting Issuer.

FDA enforcement action against the Resulting Issuer could result in a number of negative consequences, including fines, disgorgement of profits, recalls or seizures of products, or a partial or total suspension of the Resulting Issuer's production or distribution of its products. Any such event could have a material adverse effect on the Resulting Issuer's business, prospects, financial condition, and operating results.

Enforceability of Contracts

Because the Resulting Issuer's contracts relate to cannabis and other activities that are not legal under U.S. federal law and the laws of certain other jurisdictions, the Resulting Issuer may face difficulties in enforcing its contracts in U.S. federal and certain state courts. The inability of the Resulting Issuer to enforce any of its contracts could have a material adverse effect on the Resulting Issuer's business, revenues, operating results, financial condition or prospects.

U.S. Travel Bans

Recent media articles have reported that certain Canadian citizens have been prevented from entering into the United States, due to their involvement in the cannabis sector, which has in at least one widely reported incident, included an investor in companies operating in the cannabis sector in states where it is legal to do so, which resulted in that case in a lifetime ban to the investor.

Because cannabis remains illegal under U.S. federal law, those employed by or investing in licensed cannabis companies could face detention, denial of entry or lifetime bans from the United States as a result of their associations with cannabis businesses. Entry happens at the sole discretion of U.S. Customs and Border Protection ("**CBP**") officers on duty, and these officers have wide latitude to ask questions to determine the admissibility of a foreign national. The majority of persons travelling across the Canadian and U.S. border do so without incident. Some persons are simply barred entry one time. On September 21, 2018, and as updated on October 9, 2018, CBP released a statement outlining its current position with respect to enforcement of the laws of the United States. It stated that Canada's legalization of cannabis will not change CBP's enforcement of United States laws regarding controlled substances and because cannabis continues to be a controlled substance under United States law, working in or facilitating the proliferation of the legal cannabis industry in U.S. states where it is deemed legal or in Canada may affect admissibility to the U.S. As a result, CBP has affirmed that employees, directors, officers, managers and investors of companies involved in business activities related to cannabis in the U.S. or Canada, who are not U.S. citizens, face the risk of being barred from entry into the United States for life. On October 9, 2018, CBP released an additional statement regarding the admissibility of Canadian citizens working in the legal cannabis industry. CBP stated that a Canadian citizen working in or facilitating the proliferation of the legal cannabis industry in Canada coming into the United States for reasons unrelated to the cannabis industry will generally be admissible to the United States; however, if such person is found to be coming into the United States for reasons related to the cannabis industry, such person may be deemed inadmissible.

Protection of the Resulting Issuer's Intellectual Property

As long as cannabis remains illegal under U.S. federal law as a Schedule I controlled substance pursuant to the CSA, the benefit of certain federal laws and protections for intellectual property which may be available to most businesses, such as federal patent, copyright or trademark protection regarding the intellectual property of a business, may not be available to the Resulting Issuer. Because producing, manufacturing, processing, possessing, distributing, selling, and using cannabis is illegal under the CSA, the United States Patent and Trademark Office will not permit the registration of any trademark that identifies cannabis products. As a result, the Resulting Issuer's intellectual property may never be adequately or sufficiently protected against use or misappropriation by third-parties. In addition, since the regulatory framework of the cannabis industry is in a constant state of flux, the Resulting Issuer can provide no assurance that it will ever obtain any protection of its intellectual property, whether on a federal, state or local level.

Any infringement or misappropriation of the Resulting Issuer's intellectual property could damage its value and limit its ability to compete. The Resulting Issuer may have to engage in litigation to protect the rights to its intellectual property, which could result in significant litigation costs and require a significant amount of its time.

Competitors may also harm the Resulting Issuer's sales by designing products that mirror the Resulting Issuer's products or processes without infringing on its intellectual property rights. If the Resulting Issuer does not obtain sufficient protection for its intellectual property, or if the Resulting Issuer is unable to effectively enforce its intellectual property rights, its competitiveness could be impaired, which would limit its growth and future revenue.

The Resulting Issuer may also find it necessary to bring infringement or other actions against third parties to seek to protect its intellectual property rights. Litigation of this nature, even if successful, is often expensive and time-consuming to prosecute and there can be no assurance that the Resulting Issuer will have the financial or other resources to enforce its rights or be able to enforce its rights or prevent other parties from developing similar products or processes or designing around its intellectual property.

Litigation

The Resulting Issuer may become party to litigation in the ordinary course of business which could adversely affect its business. Should any litigation in which the Resulting Issuer becomes involved be determined against the Resulting Issuer, such a decision could adversely affect the Resulting Issuer's ability to continue operating, the market price for the Resulting Issuer Shares, if listed and posted for trading on the Exchange, and could use significant financial and other corporate resources of the Resulting Issuer. Even if the Resulting Issuer is successful in litigation, litigation can significantly redirect the Resulting Issuer's resources. Litigation may also negatively affect the Resulting Issuer's brand.

The Resulting Issuer May be Exposed to Infringement or Misappropriation Claims by Third Parties, Which, if Determined Adversely to the Resulting Issuer, Could Subject the Resulting Issuer to Significant Liabilities and Other Costs

The Resulting Issuer's success may depend on its ability to use and develop new extraction technologies, recipes, know-how and new strains of marijuana without infringing the intellectual

property rights of third parties. The Resulting Issuer has no assurance that third parties will not assert intellectual property claims against it. The Resulting Issuer is subject to additional risks if entities licensing intellectual property to it do not have adequate rights in any such licensed materials. If third parties assert copyright or patent infringement or violation of other intellectual property rights against the Resulting Issuer, the Resulting Issuer will be required to defend itself in litigation or administrative proceedings, which can be both costly and time consuming and may significantly divert the efforts and resources of management personnel. An adverse determination in any such litigation or proceedings to which the Resulting Issuer may become a party could subject it to significant liability to third parties, require it to seek licenses from third parties, require it to pay ongoing royalties or subject the Resulting Issuer to injunctions prohibiting the development and operation of its applications.

Difficulty in Enforcing Judgments and Effecting Service of Process on Directors and Officers

All of the directors and officers of the Resulting Issuer reside outside of Canada. Some or all of the assets of such persons may be located outside of Canada. Therefore, it may not be possible for Resulting Issuer Shareholders to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for Resulting Issuer Shareholders to effect service of process within Canada upon such persons. Courts in the United States may refuse to hear a claim based on a violation of Canadian securities laws on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a United States court agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process.

Indemnification of Directors and Officers

The Resulting Issuer's Articles provide that the Resulting Issuer will indemnify directors and may indemnify certain other persons for liabilities incurred by them by virtue of having been a director or officer of the Resulting Issuer. The Resulting Issuer may also enter into contractual indemnification obligations with its directors and officers. The foregoing indemnification obligations could result in the Resulting Issuer incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which the Resulting Issuer may be unable to recoup. These provisions and the resulting costs may also discourage the Resulting Issuer from bringing a lawsuit against directors and officers for breaches of their fiduciary duties, and may similarly discourage Resulting Issuer Shareholders from filing derivative litigation against its directors and officers even though such actions, if successful, might otherwise benefit the Resulting Issuer and its shareholders.

Financing Risks

Banking Uncertainty

The Resulting Issuer will be subject to a variety of laws and regulations domestically and in the U.S. that involve money laundering, financial recordkeeping and proceeds of crime, including the *Bank Secrecy Act*, as amended by *Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001*, the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*, as amended and the rules and

regulations thereunder, the *Criminal Code* (Canada) and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the U.S. or Canada. Since the cultivation, manufacture, distribution and sale of cannabis remains illegal under the CSA, banks and other financial institutions providing services to cannabis-related businesses risk violation of federal anti-money laundering statutes (18 U.S.C. §§ 1956 and 1957), the unlicensed money-remitter statute (18 U.S.C. § 1960) and the Bank Secrecy Act, among other applicable federal statutes. Banks or other financial institutions that provide cannabis businesses with financial services such as a checking account or credit card in violation of the Bank Secrecy Act could be criminally prosecuted for willful violations of money laundering statutes, in addition to being subject to other criminal, civil, and regulatory enforcement actions. Banks often refuse to provide banking services to businesses involved in the cannabis industry due to the present state of the laws and regulations governing financial institutions in the U.S. The lack of banking and financial services presents unique and significant challenges to businesses in the cannabis industry. The potential lack of a secure place in which to deposit and store cash, the inability to pay creditors through the issuance of checks and the inability to secure traditional forms of operational financing, such as lines of credit, are some of the many challenges presented by the unavailability of traditional banking and financial services. The abovementioned laws and regulations can impose criminal liability for engaging in certain financial and monetary transactions with the proceeds of a “specified unlawful activity” such as distributing controlled substances, including cannabis, which are illegal under federal law, and for failing to identify or report financial transactions that involve the proceeds of cannabis-related violations of the CSA. The Resulting Issuer may also be exposed to the foregoing risks.

In February 2014, FinCEN issued the FinCEN Memorandum providing instructions to banks seeking to provide services to cannabis-related businesses. The FinCEN Memorandum echoed the enforcement priorities of the Cole Memorandum and states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. The FinCEN Memorandum directed prosecutors to apply the enforcement priorities of the Cole Memorandum in determining whether to charge individuals or institutions with crimes related to financial transactions involving the proceeds of cannabis-related conduct. Although the FinCEN Memo remains in effect today, it is unclear at this time whether the current administration will follow the guidelines of the FinCEN Memorandum. The guidance from FinCEN failed to provide safe harbors or legal defenses from examination or regulatory or criminal enforcement actions. Thus, most banks and other financial institutions in the United States do not appear to be comfortable providing banking services to cannabis-related businesses, or relying on this guidance, which can be amended or revoked at any time by the Trump Administration. Overall, the DOJ continues to have the right and power to prosecute crimes committed by banks and financial institutions, such as money laundering and violations of the Bank Secrecy Act, that occur in any state, including in states that have legalized the applicable conduct and the DOJ’s current enforcement priorities could change for any number of reasons. A change in the DOJ’s enforcement priorities could result in the DOJ prosecuting banks and financial institutions for crimes that previously were not prosecuted. If the Resulting Issuer does not have access to the U.S. banking system, its business and operations could be adversely affected.

Other potential violations of U.S. federal law resulting from cannabis-related activities include the Racketeer Influenced Corrupt Organizations Act (“**RICO**”). RICO is a federal statute providing criminal penalties in addition to a civil cause of action for acts performed as part of an ongoing criminal organization. Under RICO, it is unlawful for any person who has received income derived from a pattern of racketeering activity (which includes most felonious violations of the CSA), to

use or invest any of that income in the acquisition of any interest, or the establishment or operation of, any enterprise which is engaged in interstate commerce. RICO also authorizes private parties whose properties or businesses are harmed by such patterns of racketeering activity to initiate a civil action against the individuals involved. Although RICO suits against the cannabis industry are rare, a few cannabis businesses have been subject to a civil RICO action. Defending such a case has proven extremely costly, and potentially fatal to a business' operations.

In the event that any of the Resulting Issuer's operations, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such operations in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the Resulting Issuer's ability to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada, and subject the Resulting Issuer to civil and/or criminal penalties. Furthermore, in the event that a determination was made that the Resulting Issuer's proceeds from operations (or any future operations or investments in the United States) could reasonably be shown to constitute proceeds of crime, the Resulting Issuer may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time. The Resulting Issuer could likewise be required to suspend or cease operations entirely.

Lack of Access to U.S. Bankruptcy Protection

Because cannabis is illegal under U.S. federal law, many courts have denied cannabis businesses federal bankruptcy protections, thus making it very difficult for lenders to recoup their investments in the cannabis industry in the event of a bankruptcy. If the Resulting Issuer were to seek protection from creditors pursuant to applicable bankruptcy or insolvency laws, there is no guarantee that U.S. federal bankruptcy protections would be available to the Resulting Issuer's United States operations, which would have a material adverse effect on the Resulting Issuer, its lenders and other stakeholders.

Risks Related to Additional Financing

The Resulting Issuer may require equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Resulting Issuer when needed or on terms which are acceptable. The Resulting Issuer's inability to raise additional financing, as needed, to fund on-going operations, capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon the Resulting Issuer's business, results of operations, financial condition or prospects. Prior to the completion of the RTO Transaction, CannCure's business was funded primarily from the proceeds of debt and equity financings. The Resulting Issuer expects to require additional capital in the future to expand its business in the United States, expand its product lines, and establish its targeted levels of commercial production. The Resulting Issuer may not be able to obtain additional financing on terms acceptable to it, or at all, in particular because cannabis is illegal under U.S. federal law and the Resulting Issuer may have difficulty attracting investors.

If additional funds are raised through further issuances of equity or convertible debt securities, existing Resulting Issuer Shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to existing Resulting Issuer Shareholders. If the Resulting Issuer raises additional capital by incurring debt, this will

result in increased interest expense payable by the Resulting Issuer. If the Resulting Issuer raises additional funds through the issuance of securities, market fluctuations in the price of its securities could limit its ability to obtain equity financing.

No assurance can be given that any additional financing will be available to the Resulting Issuer, or if available, will be on terms favorable to it. If the Resulting Issuer is unable to raise capital when needed, its business, financial condition, and results of operations would be materially adversely affected, and it could be forced to reduce or discontinue its operations.

Service Providers

As a result of any adverse change to the approach in enforcement of the U.S. cannabis laws, adverse regulatory or political changes, additional scrutiny by regulatory authorities, adverse changes in the public perception in respect to the consumption of cannabis or otherwise, third-party service providers to the Resulting Issuer or any of the Subsidiaries could suspend or withdraw their services, which may have a material adverse effect on the business, revenues, operating results, financial condition or prospects of the Resulting Issuer or any of the Subsidiaries.

Environmental Risks

Environmental Regulation

The Resulting Issuer's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Resulting Issuer's operations.

Unknown Environmental Risks

There can be no assurance that the Resulting Issuer will not encounter hazardous conditions at the real estate used to operate its businesses, such as asbestos or lead, in excess of expectations, that may delay the development of its businesses. Upon encountering a hazardous condition, work at the facilities of the Resulting Issuer may be suspended. If the Resulting Issuer receives notice of a hazardous condition, it may be required to correct the condition prior to continuing construction. The presence of other hazardous conditions will likely delay construction and may require significant expenditure of the Resulting Issuer's resources to correct the condition. Such conditions could have a material impact on the business, operations and prospects of the Resulting Issuer.

General Business Risks

Regulatory and Licensing Risks

The Resulting Issuer's business is subject to a variety of laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of cannabis, including laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Achievement of the Resulting Issuer's business objectives is contingent, in part, upon compliance with applicable regulatory requirements and obtaining all requisite regulatory approvals. Changes to such laws, regulations and guidelines due to matters beyond the control of the Resulting Issuer may result in a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

The Resulting Issuer may be required to obtain or renew further government permits and licenses to carry out its business, as now conducted or as currently contemplated to be conducted. Obtaining, amending or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving numerous regulatory agencies, involving public hearings and costly undertakings on the Resulting Issuer's part. The Resulting Issuer may not be able to obtain, amend or renew permits or licenses that are necessary to its operations or to achieve the growth of its business on terms which are acceptable to it or at all. Any unexpected delays or costs associated with the permitting and licensing process could impede the ongoing or proposed operations of the Resulting Issuer. To the extent necessary permits or licenses are not obtained, amended or renewed, or are subsequently suspended or revoked, the Resulting Issuer may be curtailed or prohibited from proceeding with its ongoing operations or planned development and commercialization activities. Such curtailment or prohibition may result in a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

Several of the Resulting Issuer's and the Subsidiaries' licenses are subject to renewal on an annual or periodic basis; however, they are generally renewed as a matter of course if the license holder continues to operate in compliance with applicable legislation and regulations and without any material change to its operations. While the Resulting Issuer's and the Subsidiaries' compliance controls have been developed to mitigate the risk of any material violations of any license arising, there is no assurance that the Resulting Issuer's or the Subsidiaries' licenses will be renewed by each applicable regulatory authority in the future in a timely manner on terms which are acceptable to the Resulting Issuer or at all. Any unexpected delays or costs associated with the licensing renewal process for any of the licenses held by the Resulting Issuer or the Subsidiaries could impede the ongoing or planned operations of the Resulting Issuer and have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

The Resulting Issuer may become involved in a number of government or regulatory proceedings, investigations and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm the Resulting Issuer's reputation, require the Resulting Issuer to take, or refrain from taking, actions that could harm its operations or require the Resulting Issuer to pay substantial amounts of money, harming its financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources, or have a material adverse impact on the Resulting Issuer's business, financial condition, results of operations or prospects.

Risks Related to Licenses of Intellectual Property

One Plant Florida has obtained an exclusive, limited license to use certain intellectual property related to the One Plant brand pursuant to the One Plant License Agreement. One Plant Florida has also entered into license agreements for the use of intellectual property relating to certain of its brands, including G-Pen and ChemD. The intellectual property rights granted to One Plant Florida under these agreements are limited and may not provide One Plant Florida or the Resulting Issuer with sufficient rights to carry out its business plans or effectively compete with competitors. If the Resulting Issuer is not able to obtain or maintain intellectual property licenses from third parties on reasonable terms, its businesses could be adversely affected.

Risk Related to Default on Debt

The Resulting Issuer has debt and owes money to creditors, including under the Resulting Issuer Debentures and the Construction Loan. Such debt may be secured against the Resulting Issuer's assets or guaranteed by certain of the Subsidiaries and is subject to certain covenants including restrictions on further indebtedness and investments, the creation of additional security interests on the Resulting Issuer's property and transfers of property other than in the ordinary course of business. These covenants may prevent the Resulting Issuer from taking actions that it believes would be in the best interest of its business and may make it difficult for the Resulting Issuer to execute its business strategy successfully or effectively compete with businesses not subject to the same restrictions. The Resulting Issuer's ability to comply with these covenants may be affected by economic, financial and industry conditions beyond its control, including credit or capital market disruptions. The breach of any of these covenants could result in a default that would permit creditors to declare all amounts outstanding to be due and payable, together with accrued and unpaid interest. There is no assurance that the Resulting Issuer will be able to secure additional financing to repay the applicable debt should cash flows from operations be insufficient to repay the indebtedness, whether it is in default or not. If the Resulting Issuer is unable to repay the indebtedness, creditors could proceed against the relevant collateral securing the indebtedness. This could have serious consequences to the Resulting Issuer's financial position and results of operations and could cause it to become bankrupt or insolvent.

General Business Risk and Liability

Given the nature of the Resulting Issuer's business, it may from time to time be subject to claims or complaints from investors or others in the normal course of business. The legal risks facing the Resulting Issuer, its directors, officers, employees or agents in this respect include potential liability for violations of securities laws, breach of fiduciary duty or misuse of investors' funds. Some violations of securities laws and breach of fiduciary duty could result in civil liability, fines, sanctions, or the suspension or revocation of the Resulting Issuer's right to carry on its existing business. The Resulting Issuer may incur significant costs in connection with such potential liabilities.

Security Risks

The business premises of the Resulting Issuer's operating locations are targets for theft. While the Resulting Issuer has implemented security measures at each location and continues to monitor and improve its security measures, its cultivation, processing and dispensary facilities could be subject to break-ins, robberies and other breaches in security. If there was a breach in security and the Resulting Issuer fell victim to a robbery or theft, the loss of cannabis plants,

cannabis oils, cannabis flowers or cultivation and processing equipment could have a material adverse impact on the business, financial condition and results of operations of the Resulting Issuer. A security breach at one of the Resulting Issuer's facilities could expose the Resulting Issuer to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing the Resulting Issuer's products.

As the Resulting Issuer's business involves the movement and transfer of cash which is collected from dispensaries or patients/customers and deposited into its bank, there is a risk of theft or robbery during the transport of cash. The Resulting Issuer has engaged a security firm to provide security in the transport and movement of large amounts of cash. Employees sometimes transport cash and/or products and each employee has a panic button in their vehicle and, if requested, may be escorted by armed guards. While the Resulting Issuer has taken robust steps to prevent the theft or robbery of cash or products during transport, there can be no assurance that there will not be a security breach during the transport of cash or products, which may result in the Resulting Issuer experiencing losses.

Risks Associated with COVID-19

The international outbreak of the illness COVID-19 (coronavirus) and efforts to contain it may have a significant effect on the global economy and financial markets in the future, including the demand for and prices of products. COVID-19 may also impact third parties' ability to meet their obligations to the Resulting Issuer and the Resulting Issuer's ability to meet its obligations to third parties or its customers. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, and has raised the prospect of an extended global recession. As efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of business operations, including the Resulting Issuer's may be impacted.

Although One Plant Florida's business is currently considered an "essential service" in the State of Florida, allowing it to maintain ongoing operations during the COVID-19 pandemic, there can be no assurance that legislative or regulatory changes will not occur, which may negatively impact the business of One Plant Florida and the Resulting Issuer. Any requirement that One Plant Florida cease operations, including in connection with efforts to slow the spread of the COVID-19 pandemic would have a material adverse effect on the business, operating results and financial performance of the Resulting Issuer.

COVID-19, or any other contagious disease or public health threat to the human population, could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect demand for the Resulting Issuer's products and negatively impact its operating results and financial performance.

Global pandemics and other public health threats (like COVID-19), or a fear thereof, could adversely impact the Resulting Issuer's production operations, sales efforts, expansion projects, lead to labour shortages, and severely impact supply chain logistics including travel and shipping disruptions and shutdowns (including as a result of government regulation and prevention measures) affecting delivery of materials needed for the Resulting Issuer to operate and delivery of the Resulting Issuer's products to consumers. It is unknown whether and how the Resulting Issuer may be affected if such an occurrence persists for an extended period of time, but the Resulting Issuer anticipates that it would have a material adverse effect on its business, operating

results and financial performance. In addition, the Resulting Issuer may also be required to incur additional expenses and/or delays relating to such events which could have a further negative impact on its business, operating results and financial performance.

Competition

The Resulting Issuer will face intense competition from other companies, some of which have longer operating histories and more financial resources and manufacturing and marketing experience than the Resulting Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Resulting Issuer.

Because of the early stage of the industry in which the Resulting Issuer operates, the Resulting Issuer expects to face additional competition from new entrants. If the number of users of medical cannabis in the State of Florida increases, the demand for products will increase and the Resulting Issuer expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, the Resulting Issuer will require a continued high level of investment in research and development, marketing, sales and client support. The Resulting Issuer may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of its operations.

In addition, medical cannabis products compete against other healthcare products and drugs and a high volume of cannabis continues to be sold illegally on the black market (see *Section 17 – Risk Factors – Impact of Illicit Supply of Cannabis*)

Impact of Illicit Supply of Cannabis

In addition to competition from licensed producers and those able to produce cannabis legally without a licence, the Resulting Issuer also faces competition from unlicensed and unregulated market participants, including illegal dispensaries and black market suppliers selling cannabis and cannabis-based products.

Despite the legalization of medical and adult-use cannabis in certain U.S. States, black market operations remain and are a substantial competitor to the Resulting Issuer. In addition, illegal dispensaries and black market participants may be able to (i) offer products with higher concentrations of active ingredients that are either expressly prohibited or impracticable to produce under current regulations, and (ii) use delivery methods, including edibles, concentrates and extract vaporizers, that the Resulting Issuer may be prohibited from offering to customers, (iii) use marketing and branding strategies that may be restricted under applicable state regulations, and (iv) make claims not permissible under applicable regulatory regimes. As these illicit market participants do not comply with the regulations governing the medical and adult-use cannabis industry, their operations may also have significantly lower costs.

As a result of the competition presented by the black market for cannabis, any unwillingness by consumers currently utilizing these unlicensed distribution channels to begin purchasing from licensed producers for any reason or any inability or unwillingness of law enforcement authorities to enforce laws prohibiting the unlicensed cultivation and sale of cannabis and cannabis-based products could (i) result in the perpetuation of the black market for cannabis, (ii) adversely affect the Resulting Issuer's market share and (iii) adversely impact the public perception of cannabis

use and licensed cannabis producers and dealers, all of which would have a materially adverse effect on the Resulting Issuer's business, operations and financial condition.

High Bonding and Insurance Coverage

There is a risk that a greater number of state regulatory agencies will begin requiring entities engaged in certain aspects of the business or industry of legal cannabis to post a bond or significant fees when applying, for example, for a dispensary license or renewal as a guarantee of payment of sales and franchise tax. The Resulting Issuer is not able to quantify at this time the potential scope for such bonds or fees in the State of Florida. Any bonds or fees of material amounts could have a negative impact on the ultimate success of the Resulting Issuer's business.

The Resulting Issuer's business is subject to a number of general risks and hazards, including adverse environmental conditions, accidents, labour disputes and changes in the regulatory environment. Such hazards could result in damage to assets, personal injury or death, environmental damage, delays in operations, monetary losses and possible legal liability.

Although the Resulting Issuer maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance does not cover all the potential risks associated with its operations. The Resulting Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards encountered in the operations of the Resulting Issuer is not generally available on acceptable terms. The Resulting Issuer may also become subject to liability for pollution or other hazards which may not be insured against or which the Resulting Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Resulting Issuer to incur significant costs that could have a material adverse effect upon its business, results of operations, financial condition or prospects.

Dependence on Key Personnel

The Resulting Issuer's success will depend on its ability to attract and retain key personnel and senior management, including the Chief Executive Officer, Chief Financial Officer, and key employees related to the cultivation of cannabis. If one or more of the Resulting Issuer's executive officers are unable or unwilling to continue in their present positions, the Resulting Issuer may not be able to replace them readily, if at all. Additionally, the Resulting Issuer may incur additional expenses to recruit and retain new executive officers. If any of the Resulting Issuer's executive officers joins a competitor or forms a competing company, the Resulting Issuer may lose some or all of its customers. The Resulting Issuer does not maintain "key person" life insurance on any of its executive officers. Because of these factors, the loss of the services of any of these key persons could adversely affect the Resulting Issuer's business, financial condition, and results of operations, and thereby an investment in the Resulting Issuer Shares. The Resulting Issuer will enter into employment agreements which will address, to a certain extent, the continued involvement of key personnel in the business of the Resulting Issuer.

The Resulting Issuer's continuing ability to attract and retain highly qualified personnel will also be critical to its success because the Resulting Issuer will need to hire and retain additional personnel as its business grows. There can be no assurance that the Resulting Issuer will be able to attract or retain highly qualified personnel. The Resulting Issuer faces significant competition for skilled personnel in its industries. In particular, if the cannabis industry continues to grow,

demand for personnel may become more competitive. This competition may make it more difficult and expensive to attract, hire, and retain qualified managers and employees. Because of these factors, the Resulting Issuer may not be able to effectively manage or grow its business, which could adversely affect its financial condition or business. As a result, the value of an investment in the Resulting Issuer Shares could be significantly reduced or completely lost.

Resulting Issuer Shareholders will be required to rely on the Resulting Issuer Board to conduct the business of the Resulting Issuer. Certain of the directors and management of the Resulting Issuer will not be devoting all of their time to the affairs of the Resulting Issuer, but will be devoting such time as may be required to effectively manage the Resulting Issuer. Certain of the directors and management are engaged and will continue to be engaged in the search for investments for themselves and on behalf of others, including other private and public corporations. Accordingly, conflicts of interest may arise from time to time. Any conflicts will be subject to the procedures and remedies under the BCBCA.

Resulting Issuer Shareholders will be required to rely on the ability, business judgment, expertise and integrity of the directors and management of the Resulting Issuer. The Resulting Issuer must rely substantially upon the knowledge and expertise of its directors and management in entering into any agreements relating to the operations and development of the Resulting Issuer's business, and in determining when and whether to dispose of assets owned by the Resulting Issuer. The death or disability of any of the Resulting Issuer's key personnel could adversely affect the ability of the Resulting Issuer to achieve its objectives.

Investors not willing to rely on the management and judgment of the Resulting Issuer Board should not invest in the Resulting Issuer.

Dependence on Key Inputs, Suppliers and Skilled Labour

The cannabis industry is dependent on a number of key inputs and their related costs including raw materials and supplies related to growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition, results of operations or prospects of the Resulting Issuer. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, the Resulting Issuer might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Resulting Issuer in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition, results of operations or prospects of the Resulting Issuer.

The ability of the Resulting Issuer to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Resulting Issuer will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Resulting Issuer.

Risks Inherent in an Agricultural Business

The Resulting Issuer's business involves the growing of cannabis, an agricultural product. Such business will be subject to the risks inherent in the agricultural business, such as insects, plant

diseases and similar agricultural risks. Although all such growing is expected to be completed indoors under climate-controlled conditions, there can be no assurance that natural elements will not have a material adverse effect on any such future production.

Future Acquisitions or Dispositions

Material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) potential disruption of the Resulting Issuer's ongoing business; (ii) distraction of management; (iii) the Resulting Issuer becoming more financially leveraged; (iv) the anticipated benefits and cost savings of those transactions not being realized fully or at all or taking longer to realize than expected; (v) increasing the scope and complexity of the Resulting Issuer's operations; and (vi) loss or reduction of control over certain of the Resulting Issuer's assets. Additionally, the Resulting Issuer may issue additional Resulting Issuer Shares in connection with such transactions, which would dilute a Resulting Issuer Shareholder's holdings in the Resulting Issuer or indirect holdings in the Resulting Issuer.

The presence of one or more material liabilities of an acquired company that are unknown to the Resulting Issuer at the time of acquisition could have a material adverse effect on the business, results of operations, prospects and financial condition of the Resulting Issuer. A strategic transaction may result in a significant change in the nature of the Resulting Issuer's business, operations and strategy. In addition, the Resulting Issuer may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into the Resulting Issuer's operations.

Due Diligence

The due diligence process undertaken by the Resulting Issuer in connection with investments or acquisitions that it makes or wishes to make may not reveal all relevant facts in connection with an investment or acquisition. Before making investments or acquisitions, the Resulting Issuer will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each transaction, and balancing the cost of such due diligence with potential risk exposure. When conducting due diligence investigations, the Resulting Issuer may be required to evaluate important and complex business, financial, tax, accounting and legal issues. External consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of transaction. Nevertheless, when conducting due diligence investigations and making an assessment regarding a transaction, the Resulting Issuer will rely on resources available, including information provided by the target and, in some circumstances, third party investigations. The due diligence investigations that are carried out with respect to any opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such opportunity. Moreover, such an investigation will not necessarily result in the transaction being successful.

Energy Costs

The Resulting Issuer's cannabis growing operations will consume considerable energy, which will make it vulnerable to rising energy costs. Accordingly, rising or volatile energy costs may, in the future, adversely impact the business of the Resulting Issuer and its ability to operate profitably.

Management of Growth

The Resulting Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The Resulting Issuer's ability to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Resulting Issuer to manage growth may have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations and prospects.

The Resulting Issuer's growth strategy is dependent upon expanding its product and service offerings into new business areas or new geographic markets. There can be no assurance that these new business areas and geographic markets will generate the anticipated clients and revenue. In addition, any expansion into new business areas or geographic markets could expose the Resulting Issuer to new risks, including compliance with applicable laws and regulations, changes in the regulatory or legal environment; different customer preferences or habits; adverse exchange rate fluctuations; adverse tax consequences; difficulties staffing and managing new operations; infringement of third-party intellectual property rights; the cost of adapting its products and services for new markets; or difficulties collecting accounts receivable.

Operating in different geographic regions could mean that revenues earned from customers may decrease in the future for a variety of reasons, including increased competition and new entrants into geographic markets in which the Resulting Issuer currently operates or intends to operate. Depending on the jurisdictions involved, any or all of the foregoing factors could have a material adverse impact on Resulting Issuer's business, financial condition and results of operations.

The growth and expansion of the Resulting Issuer's business is heavily dependent upon the successful implementation of the Resulting Issuer's business strategy. There can be no assurance that the Resulting Issuer will be successful in the implementation of its business strategy. The above-noted factors could cause the Resulting Issuer's expansion into new business areas or geographic markets to be unsuccessful or less profitable than its existing markets or could cause the Resulting Issuer's operating costs to increase unexpectedly or its sales to decrease, any of which could have a material adverse impact on the Resulting Issuer's prospects, business, financial condition or results of operations. In addition, there can be no assurance that laws, licensing requirements or administrative practices in jurisdictions within which the Resulting Issuer intends to operate will not change. Any such change could have a material adverse impact on the Resulting Issuer's business, financial condition and results of operations.

Limited Operating History and No Assurance of Profitability

The Resulting Issuer has a limited history of operations and is subject to all of the business risks and uncertainties associated with any early-stage enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources, and lack of revenues. The Resulting Issuer's limited operating history may also make it difficult for investors to evaluate the Resulting Issuer's prospects for success.

Prior to the completion of the RTO Transaction, CannCure had a history of net losses and the Resulting Issuer may incur significant net losses in the future and may not achieve or maintain profitability. Prior to the completion of the RTO Transaction, CannCure had a history of operating losses and of negative cash flows from operations. The Resulting Issuer will be reliant on positive

net income from continuing operations and capital markets for future funding to meet its ongoing obligations. The application of the going concern concept is dependent on the Resulting Issuer's ability to receive continued financial support from its stakeholders and, ultimately, on the Resulting Issuer's ability to generate profitable operations. There can be no assurance that the Resulting Issuer will be able to develop or maintain consistent revenue sources, or that its operations will be profitable and/or generate positive cash flow.

Volatile Market Price of the Resulting Issuer Shares

The market price for securities of cannabis companies has historically been volatile and subject to wide fluctuations in response to various factors, many of which are beyond the Resulting Issuer's control, which may affect the ability of the Resulting Issuer Shareholders to sell their securities at an advantageous price. Once listed on the Exchange, the Resulting Issuer's failure to meet expectations, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions, industry related developments, results of product development or commercialization, changes in government regulations or other material public announcements by the Resulting Issuer or its competitors, along with a variety of additional factors may affect market fluctuations. Once listed on the Exchange, the market price of the Resulting Issuer Shares may decline even if the Resulting Issuer's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur. If increased levels of volatility and market turmoil occur, the Resulting Issuer's operations could be adversely impacted, and the trading price of the Resulting Issuer Shares may be materially adversely affected.

Once listed on the Exchange, a decline in the price of the Resulting Issuer Shares could affect its ability to raise further working capital and adversely impact its ability to continue operations.

Once listed on the Exchange, a prolonged decline in the price of the Resulting Issuer Shares could result in a reduction in the liquidity of the Resulting Issuer Shares and a reduction in the Resulting Issuer's ability to raise capital. Because a significant portion of the Resulting Issuer's operations have been and will be financed through the sale of equity securities, a decline in the price of the Resulting Issuer Shares could be especially detrimental to the Resulting Issuer's liquidity and its operations. Such reductions may force the Resulting Issuer to reallocate funds from other planned uses and may have a significant negative effect on the Resulting Issuer's business plan and operations, including its ability to develop new products and continue its current operations. If the price of the Resulting Issuer Shares declines, the Resulting Issuer can offer no assurance that it will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Resulting Issuer is unable to raise sufficient capital in the future, the Resulting Issuer may not be able to have the resources to continue its normal operations.

No Market for Warrants

There is no market through which the Resulting Issuer Warrants (or any securities of the Resulting Issuer other than the Resulting Issuer Shares, if listed on the Exchange) may be sold and purchasers may not be able to resell such securities. This may affect the pricing of the Resulting Issuer Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation.

Costs of being a Reporting Issuer

As a reporting issuer, the Resulting Issuer is subject to the reporting requirements and rules and regulations under applicable Canadian securities laws and rules of the Exchange. Additional or new regulatory requirements may be adopted in the future, requiring compliance by the Resulting Issuer. The requirements of existing and potential future rules and regulations will increase the Resulting Issuer's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business and financial condition.

In particular, once listed, the Resulting Issuer will be subject to reporting and other obligations under applicable Canadian securities laws, including National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, which requires annual management assessment of the effectiveness of the Resulting Issuer's internal controls over financial reporting. Effective internal controls, including financial reporting and disclosure controls and procedures, are necessary for the Resulting Issuer to provide reliable financial reports, to effectively reduce the risk of fraud and to operate successfully as a public company. These reporting and other obligations place significant demands on the Resulting Issuer as well as on the Resulting Issuer's management, administrative, operational and accounting resources.

Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Resulting Issuer's results of operations or cause it to fail to meet its reporting obligations. If the Resulting Issuer or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Resulting Issuer's financial statements and materially adversely affect the trading price of the Resulting Issuer Shares.

The Resulting Issuer is a Holding Company

The Resulting Issuer is a holding company and essentially all of its assets are the securities of the Subsidiaries. As a result, Resulting Issuer Shareholders are subject to the risks attributable to the Subsidiaries. As a holding company, the Resulting Issuer conducts substantially all of its business through the Subsidiaries, which generate substantially all of the Resulting Issuer's revenues. Consequently, the Resulting Issuer's cash flows and ability to develop its business are dependent on the earnings of the Subsidiaries. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and on the restrictions contained in the instruments governing the Subsidiaries' debts. In the event of a bankruptcy, liquidation or reorganization of any of the Subsidiaries, creditors may be entitled to payment of their claims from the assets of the Subsidiaries before the Resulting Issuer.

Unfavourable Publicity or Consumer Perception

The Resulting Issuer's ability to generate revenue and be successful in the implementation of its business plan is dependent on consumer acceptance and demand of its product lines. Management of the Resulting Issuer believes the cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the cannabis produced.

Acceptance of the Resulting Issuer's products will depend on several factors, including availability, cost, ease of use, familiarity of use, convenience, effectiveness, safety, and reliability.

If customers do not accept the Resulting Issuer's products, or if the Resulting Issuer fails to meet customers' needs and expectations adequately, its ability to continue generating revenues could be adversely affected.

Consumer perception of the Resulting Issuer's proposed products may be significantly influenced by scientific research or findings, regulatory proceedings, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Resulting Issuer's products and the business, results of operations, financial condition and cash flows of the Resulting Issuer. The Resulting Issuer's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Resulting Issuer, the demand for the Resulting Issuer's products, and the business, results of operations, financial condition and cash flows of the Resulting Issuer.

Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of cannabis in general, or the Resulting Issuer's products specifically, or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

If the Resulting Issuer is Unable to Continually Innovate and Increase Efficiencies, its Ability to Attract New Customers may be Adversely Affected

The Resulting Issuer must be able to develop new technologies and products that appeal to its customers. This depends, in part, on the technological and creative skills of its personnel and on its ability to protect its intellectual property rights. The Resulting Issuer may not be successful in the development, introduction, marketing, and sourcing of new technologies or innovations, that satisfy customer needs, achieve market acceptance, or generate satisfactory financial returns.

A Drop in the Retail Price of Medical Cannabis Products may Negatively Impact the Business of the Resulting Issuer

The demand for the Resulting Issuer's products depends in part on the price of commercially grown medical cannabis. Fluctuations in economic and market conditions that impact the prices of commercially grown medical cannabis, such as increases in the supply of such cannabis and the decrease in the price of products using commercially grown medical cannabis, could cause the demand for medical cannabis products to decline, which would have a negative impact on the Resulting Issuer's business.

The Resulting Issuer's Trade Secrets May Be Difficult to Protect

The Resulting Issuer's success depends upon the skills, knowledge, and experience of its scientific and technical personnel, its consultants and advisors, as well as its licensors and

contractors. Because the Resulting Issuer operates in a highly competitive industry, the Resulting Issuer relies in part on trade secrets to protect its proprietary technology and processes. However, trade secrets are difficult to protect. The Resulting Issuer may enter into confidentiality or non-disclosure agreements with its corporate partners, employees, consultants, outside scientific collaborators, developers, and other advisors, which would require that the receiving party keep confidential and not disclose to third parties confidential information developed by the receiving party or made known to the receiving party during the course of the receiving party's relationship with the Resulting Issuer. These agreements would also generally provide that inventions conceived by the receiving party in the course of rendering services to the Resulting Issuer will be the Resulting Issuer's exclusive property, and the Resulting Issuer enters into assignment agreements to perfect its rights.

These confidentiality, inventions, and assignment agreements may be breached and may not effectively assign intellectual property rights to the Resulting Issuer. The Resulting Issuer's trade secrets also could be independently discovered by competitors, in which case the Resulting Issuer would not be able to prevent the use of such trade secrets by its competitors. The enforcement of a claim alleging that a party illegally obtained and was using its trade secrets could be difficult, expensive, and time consuming and the outcome would be unpredictable. In addition, courts outside the United States may be less willing to protect trade secrets. The failure to obtain or maintain meaningful trade secret protection could adversely affect the Resulting Issuer's competitive position.

Past Performance Not Indicative of Future Results

The prior investment and operational performance of CannCure may not be indicative of the future operating results of the Resulting Issuer. There can be no assurance that the historical operating results achieved by CannCure or the CannCure Subsidiaries will be achieved by the Resulting Issuer, and the Resulting Issuer's performance may be materially different.

Financial Projections May Prove Materially Inaccurate or Incorrect

The Resulting Issuer's financial estimates, projections and other forward-looking information or statements included in this Listing Statement are based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in this Listing Statement. Resulting Issuer Shareholders should inquire of the Resulting Issuer and become familiar with the assumptions underlying any estimates, projections or other forward-looking information or statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operating expenses, changes or shifts in regulatory rules or applicable laws, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, the Resulting Issuer Shareholders should not rely on any projections to indicate the actual results the Resulting Issuer might achieve.

Dilution

The Resulting Issuer is authorized to issue an unlimited number of Resulting Issuer Shares. If the Resulting Issuer raises additional financing through the issuance of Resulting Issuer Shares (including securities convertible or exchangeable into Resulting Issuer Shares) or completes an

acquisition or merger by issuing additional Resulting Issuer Shares, such issuance may substantially dilute the interests of holders of Resulting Issuer Shares and reduce the value of their investment. Resulting Issuer Shareholders will have no pre-emptive rights in connection with a future issuance. The Resulting Issuer Board has the discretion to determine the price and the terms of future issuances and the market price of the Resulting Issuer Shares could decline as a result of issuances of new Resulting Issuer Shares. Moreover, additional Resulting Issuer Shares may be issued by the Resulting Issuer on the exercise of Resulting Issuer Options, in payment of vested Resulting Issuer RSUs and upon the exercise of outstanding Resulting Issuer Warrants. Further, additional Resulting Issuer Shares may be issued by the Resulting Issuer on the conversion of the Resulting Issuer Convertible Debentures.

Conflicts of Interest

Certain directors and officers of the Resulting Issuer are, or may become directors and officers of other companies, and conflicts of interest may arise between their duties as directors and officers of the Resulting Issuer and as directors and officers of such other companies. Any conflicts of interest will be subject to and governed by the laws applicable directors' and officers' conflicts of interest and fiduciary duties, including the procedures prescribed by the BCBCA respecting disclosable interests.

Constraints on Marketing Products

The development of the Resulting Issuer's business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by government regulatory bodies. The regulatory environment in the United States limits companies' abilities to compete for market share in a manner similar to other industries. If the Resulting Issuer is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Resulting Issuer's sales and results of operations could be adversely affected.

Product Liability

The Resulting Issuer risks exposure to product liability claims, regulatory actions and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of cannabis products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of the Resulting Issuer's products alone or in combination with other medications or substances could occur. The Resulting Issuer may be subject to various product liability claims, including, among others, that the Resulting Issuer's products caused injury, illness or death, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances.

A product liability claim or regulatory action against the Resulting Issuer could result in increased costs, could adversely affect the Resulting Issuer's reputation with its clients and consumers generally, and could have a material adverse effect on the Resulting Issuer's results of operations and financial condition. There can be no assurances that the Resulting Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable

terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of products.

Fraudulent or Illegal Activity by Employees, Contractors and Consultants

The Resulting Issuer is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Resulting Issuer that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and state healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for the Resulting Issuer to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Resulting Issuer to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Resulting Issuer from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Resulting Issuer, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Resulting Issuer's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Resulting Issuer's operations, any of which could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

Information Technology Systems, Cyber-Attacks and Security Breaches

The Resulting Issuer's operations depend, in part, on how well it and its suppliers protect networks, equipment, information technology ("IT") systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Resulting Issuer is susceptible to operational, financial and information security risks resulting from cyber-attacks and/or malfunctioning technology. The Resulting Issuer's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays, increase in capital expenses, financial losses, the inability to process transactions, the unauthorized release of customer information and reputational risk. If there was a breach in security or if there was a failure of information systems or a component of information systems, it could, depending on the nature of any such breach or failure, adversely impact the Resulting Issuer's reputation, business continuity and results of operations.

In addition, the Resulting Issuer collects and stores personal information about its customers and patients and is responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Any such theft or privacy breach would have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

The Resulting Issuer has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that the Resulting Issuer will

not incur such losses in the future. The Resulting Issuer's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Resulting Issuer may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Website Accessibility

Internet websites are visible by people everywhere, not just in jurisdictions where the activities described therein are considered legal. As a result, to the extent the Resulting Issuer sells services or products via web-based links targeting only jurisdictions in which such sales or services are compliant with state law, the Resulting Issuer may face legal action in other jurisdictions which are not the intended object of any of the Resulting Issuer's marketing efforts for engaging in any web-based activity that results in sales into such jurisdictions deemed illegal under applicable laws.

Results of Future Clinical Research

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although the Resulting Issuer believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, prospective purchasers of Resulting Issuer Shares should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Listing Statement or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have a material adverse effect on the demand for the Resulting Issuer's products with the potential to lead to a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of the Resulting Issuer's products are recalled due to an alleged product defect or for any other reason, the Resulting Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall.

The Resulting Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Resulting Issuer has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will

be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Resulting Issuer's significant brands were subject to recall, the image of that brand and the Resulting Issuer could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Resulting Issuer's products and could have a material adverse effect on the results of operations and financial condition of the Resulting Issuer. Additionally, product recalls may lead to increased scrutiny of the Resulting Issuer's operations by the FDA, or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on Regulatory Approval

The Resulting Issuer's ability to successfully produce its products is dependent on extensive ongoing regulatory, variance, compliance and reporting requirements imposed primarily by the OMMU and other regulatory authorities ("**Reporting Requirements**"). Failure to comply with the requirements and terms of the Reporting Requirements could have a material adverse impact on the business, financial condition and operating results of them Resulting Issuer. There is no assurance that continuous regulatory approval will be given, granted or renewed pursuant to the Reporting Requirements. Should regulatory approval not be continued, the business, financial condition and operating results of the Resulting Issuer would be materially adversely affected.

Even if the Resulting Issuer continues to receive regulatory approval for its operations and product offerings, this approval may carry conditions that limit the market for the products or put the products at a competitive disadvantage relative to alternative therapies. For instance, regulatory approval may limit the indicated uses for which the Resulting Issuer can market a product or the patient population that may utilize the product, or may be required to carry a warning on its packaging.

No Dividends

Holders of the Resulting Issuer Shares will not have a right to dividends on such shares unless declared by the Resulting Issuer Board. Any decision to declare and pay dividends in the future will be made at the discretion of the Resulting Issuer Board and will depend on the financial results, cash requirements, contractual restrictions and other factors that the Resulting Issuer Board may deem relevant. As a result, investors may not receive any return on an investment in the Resulting Issuer Shares unless they sell their Resulting Issuer Shares for a price greater than that which such investors paid for them. The Resulting Issuer has no earnings or dividend record and may not pay any dividends on the Resulting Issuer Shares in the foreseeable future. Dividends paid by the Resulting Issuer could be subject to tax and, potentially, withholdings. The Resulting Issuer plans to reinvest the profits of its operations and investments, if any, to further the growth and development of the Resulting Issuer instead of paying dividends.

Enhanced US Federal Tax Cost of Profits from Cannabis Production

Section 280E of the United States Internal Revenue Code of 1986, as amended prohibits cannabis businesses from deducting their ordinary and necessary business expenses. The IRS has invoked Section 280E in tax audits against various cannabis businesses in the United States that are authorized under state laws, seeking substantial sums in tax liabilities, interest and penalties resulting from under payment of taxes due to the lack of deductibility of otherwise ordinary business expenses the deduction of which is prohibited by Section 280E. Although the IRS issued a clarification allowing the deduction of certain expenses that can be categorized as

cost of goods sold, the scope of such items is interpreted very narrowly and include the cost of seeds, plants and labor related to cultivation, while the bulk of operating costs and general administrative costs are not permitted to be deducted. While there are currently several pending cases before various administrative and federal courts challenging these restrictions, there is no guarantee that these courts will issue an interpretation of Section 280E favorable to cannabis businesses. The result of the application of Section 280E may be that the US federal tax cost of profits arising from the Resulting Issuer's business are greater than other industries not related to cannabis production.

Market and Economy Risks

Economic Environment

Disruptions and volatility in global financial markets and declining consumer and business confidence could lead to decreased levels of consumer spending. The Resulting Issuer's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Resulting Issuer's sales and profitability. Macroeconomic developments could negatively impact the Resulting Issuer's business, which depends on the general economic environment and levels of consumer spending. As a result, the Resulting Issuer may not be able to maintain its existing customers or attract new customers, or the Resulting Issuer may be forced to reduce the price of its products. The Resulting Issuer is unable to predict the likelihood of the occurrence, duration, or severity of such disruptions in the credit and financial markets and adverse global economic conditions. Any general or market-specific economic downturn could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations, and cash flow.

Currency Fluctuations

Due to the Resulting Issuer's present operations in the United States, and its intention to continue future operations outside Canada, the Resulting Issuer is expected to be exposed to significant currency fluctuations. Recent events in the global financial markets have been coupled with increased volatility in the currency markets. All or substantially all of the Resulting Issuer's revenue will be earned in US dollars, but a portion of its operating expenses are incurred in Canadian dollars. The Resulting Issuer does not have currency hedging arrangements in place and there is no expectation that the Resulting Issuer will put any currency hedging arrangements in place in the future. Fluctuations in the exchange rate between the US dollar and the Canadian dollar may have a material adverse effect on the Resulting Issuer's business, financial position or results of operations.

Market Price Volatility and Disruption Risks

Once listed, the market price of the Resulting Issuer Shares may be volatile and subject to wide fluctuations in response to many factors, including variations in the operating results of the Resulting Issuer, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Resulting Issuer, changes in the economic performance or valuations of companies in the industry in which the Resulting Issuer will operate, the addition or departure of the Resulting Issuer's officers and other key personnel, the release or expiration of transfer or lock-up restrictions on the outstanding Resulting Issuer Shares, sales of additional Resulting Issuer Shares, fluctuations in the costs of

key supplies, general economic and financial conditions, legislative or regulatory changes, and other events and factors outside of the Resulting Issuer's control.

In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Resulting Issuer Shares. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many junior companies have experienced wide fluctuations in price. Broad market fluctuations, as well as economic conditions generally, may adversely affect the market price of the Resulting Issuer Shares.

War and occupation, terrorism, related geopolitical risks, global pandemics and other sociological or economic conditions may in the future lead to increased market volatility and may have adverse long-term effects on world economies and markets generally. Those events could also have an acute effect on individual corporations or related groups of corporations. These risks could also adversely affect the securities markets, inflation and other factors relating to the securities that would be held from time to time. Such events could directly or indirectly, have a material effect on the prospects and value of the securities of the Resulting Issuer.

Sales by Existing Shareholders

Once listed, and once the lock-up restrictions applicable to the Resulting Issuer Shares have expired, sales of a substantial number of Resulting Issuer Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Resulting Issuer Shares intend to sell could reduce the market price of the Resulting Issuer Shares. If this occurs and continues, it could impair the Resulting Issuer's ability to raise additional capital through the sale of Resulting Issuer Shares.

Limited Market for Securities

Notwithstanding that the Resulting Issuer Shares, if accepted for listing, will be listed on the CSE, there can be no assurance that, once listed, an active and liquid market for the Resulting Issuer Shares will develop or be maintained and a Resulting Issuer Shareholder may find it difficult to resell any securities of the Resulting Issuer.

Global Financial Conditions

The Resulting Issuer is subject to global economic, political and social conditions that may cause customers to delay or reduce cannabis consumption due to economic downturns, unemployment, and volatility in the costs of energy and other consumer goods, geopolitical uncertainties, and other macroeconomic factors affecting spending behavior. The Resulting Issuer faces risks that may arise from financial difficulties experienced by suppliers or customers, including the risk that customers may face financial difficulties or may become insolvent, which could lead to an inability to obtain payment of accounts receivable that those patients may owe; the risk that key suppliers may face financial difficulties or may become insolvent, which could lead to disruption of the supply of cannabis products; and the inability of customers and/or suppliers to obtain credit financing to finance purchases of products and raw materials used to grow or build those products. Should any of these risks occur, they could have a material adverse effect on the Resulting Issuer.

Future economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability, epidemics or pandemics, and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Resulting Issuer's ability to obtain equity or debt financing in the future on terms favourable to the Resulting Issuer or at all. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Further, in such an event, the Resulting Issuer's operations and financial condition could be adversely impacted.

Furthermore, general market, political and economic conditions, including, for example, inflation, employment rates, interest and currency exchange rates, structural changes in the cannabis industry, supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Resulting Issuer's operating environment and its operating costs, profit margins and the price of the Resulting Issuer Shares. Any negative events in the global economy could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations or prospects.

18. PROMOTERS

18.1 Promoters

SOL Global and Brady Cobb (CEO and director of the Resulting Issuer) may be considered to be promoters because they took the initiative in founding and/or organizing the business of CannCure and the CannCure Subsidiaries.

As of the date of this Listing Statement, the above-named promoters beneficially own, directly or indirectly, or exercise control over, the following voting securities and equity securities of the Resulting Issuer:

Promoter Name	Class of Securities	Number ⁽¹⁾ and Percentage of Securities Beneficially Owned, Directly or Indirectly, or Controlled upon Completion of the RTO Transaction ⁽²⁾
SOL Global	Resulting Issuer Shares	16,067,269 (19.41%) ⁽³⁾
Brady Cobb	Resulting Issuer Shares	1,150,087 (1.39%) ⁽⁴⁾

Notes:

- (1) The information as to the number of Resulting Issuer Shares beneficially owned, directly or indirectly, or over which a promoter of the Resulting Issuer exercises control has been furnished by the respective promoter individually.
- (2) On a non-diluted basis after giving effect to the Consolidation.
- (3) In addition to the Resulting Issuer Shares noted in this table, SOL Global holds 6,450,000 Resulting Issuer Warrants.
- (4) In addition to the Resulting Issuer Shares held by Mr. Cobb, the Resulting Issuer awarded Mr. Cobb 900,000 Resulting Issuer RSUs on the Closing Date.

On April 5, 2019, SOL Global completed the SOL Global Acquisition, acquiring all of the issued and outstanding CannCure Common Shares from the former CannCure Shareholders pursuant to the terms and subject to the conditions of the Amended and Restated Share Purchase Agreement, as amended. For further information on the SOL Global Acquisition, see *Section 3.1 – General Development of the Business of CannCure – Acquisition of CannCure by SOL Global*.

Effective on April 30, 2019, CannCure issued an aggregate of 13,871,602 CannCure Common Shares to SOL Global pursuant to the terms and subject to the conditions of the Debt Conversion Agreement in full and final satisfaction of the December Promissory Note.

Pursuant to the terms of the Unit Offering, SOL Global subscribed for an aggregate of 8,500 Units of CannCure. The Units acquired by SOL Global were composed of an aggregate of 2,125,000 CannCure Common Shares, 4,250,000 CannCure Unit Offering Warrants and Non-Convertible Debentures in the principal amount of \$4,250,000. Further information with respect to the terms of the Unit Offering are set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

On February 19, 2020, SOL Global entered into the Letter Agreement with CannCure, pursuant to which SOL Global agreed to amend and restate the Non-Convertible Debentures. As consideration for the acceptance of the amendments proposed in the Letter Agreement, CannCure issued an aggregate of 2,125,000 CannCure Consideration Warrants to SOL Global. Further information with respect to the terms of the Letter Agreement are set out in *Section 3.1 – General Development of the Business of CannCure – 2019 Financing Activities*.

On March 31, 2020, SOL Global subscribed for and acquired CannCure Convertible Debentures in the aggregate principal amount of \$10,536,000 pursuant to the terms of the Concurrent Financing. SOL Global's participation in the Concurrent Financing was part of a larger, private offering of securities of CannCure that included participation by arm's length investors.

At the Effective Time, CannCure's outstanding securities, including those held by SOL Global were cancelled and exchanged for securities of the Resulting Issuer. For further information on the exchange of securities completed in connection with the RTO Transaction see *Section 3.1 – General Development of the Business of CannCure – The RTO Transaction*.

Additional information about Mr. Cobb is disclosed elsewhere in this Listing Statement, including in connection with his capacity as a director and officer of the Resulting Issuer. For further information see *Section 13.1 – Directors and Officers*, *Section 15 – Executive Compensation* and *Section 20 – Interest of Management and Others in Material Transactions*.

18.2 Orders, Bankruptcies and Sanctions

No promoter of the Resulting Issuer is, as at the date of this Listing Statement, or was within 10 years before the date of this Listing Statement, a director, chief executive officer, or chief financial officer of any person or company that:

- (a) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer.

No promoter of the Resulting Issuer:

- (a) is, as at the date of this Listing Statement, or has been within the 10 years before the date of this Listing Statement, a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter.

No promoter of the Resulting Issuer has been subject to:

- (a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement agreement with a provincial and territorial securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

19. LEGAL PROCEEDINGS

19.1 Legal Proceedings

To the Resulting Issuer's knowledge, there are no legal proceedings or regulatory actions material to the Resulting Issuer to which it is a party, or of which any of its property is or was the subject matter of, and no such proceedings or actions are known by the Resulting Issuer to be contemplated.

19.2 Regulatory Actions

There have not been any penalties or sanctions imposed against the Resulting Issuer by a court relating to provincial or territorial securities legislation or by a securities regulatory authority within the three (3) years immediately preceding the date of this Listing Statement, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Resulting Issuer, and the Resulting Issuer has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority within the three (3) years immediately preceding the date of this Listing Statement.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

20.1 Interest of Management and Others in Material Transactions

Other than as disclosed below and elsewhere in this Listing Statement, no director or executive officer of the Resulting Issuer or any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class of the Resulting Issuer's outstanding voting securities, or an associate or affiliate of any persons or companies referred to in this paragraph, has any material interest, direct or indirect, in any transaction within the three (3) years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Resulting Issuer or a Subsidiary.

Brady Cobb was a party to the SOL Global Acquisition as a former holder of CannCure Common Shares. Mr. Cobb was issued 239,414 SOL Shares in consideration for his CannCure Common Shares, representing 3.27% of the total number of SOL Shares issued to the former CannCure Shareholders. The entering into of the Business Combination Agreement triggered the obligation of SOL Global to satisfy the CannCure Earn-Out pursuant to the terms of the Amended and Restated Share Purchase Agreement, as amended. On February 20, 2020, SOL Global transferred an aggregate of 35,151,483 CannCure Common Shares to the former CannCure Shareholders in full and final satisfaction of the CannCure Earn-Out. Mr. Cobb was transferred 1,150,087 CannCure Common Shares in connection with the satisfaction of the CannCure Earn-Out, representing 3.27% of the CannCure Common Shares transferred in satisfaction of the CannCure Earn-Out.

Chad Moss and entities associated with Mr. Moss were parties to the Concurrent Financing, subscribing for CannCure Convertible Debentures in the aggregate principal amount of \$3,000,000, as part of the larger, private offering of securities of CannCure that included participation by arm's length investors.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

RSM Canada LLP is the independent auditor of the Resulting Issuer and, prior to the completion of the RTO Transaction, was the independent auditor of Goldstream. RSM Canada LLP is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. Goldstream appointed RSM Canada LLP (formerly, Collins Barrow Toronto LLP), as its auditor, effective September, 2012. The offices of RSM Canada LLP are located at 700-11 King St. West, Toronto, ON, M5H 4C7.

The registrar and transfer agent for the Resulting Issuer Shares is Odyssey Transfer Inc., at its offices located at Suite 1717, 25 Adelaide St. East, Toronto ON M5C 3A1.

22. MATERIAL CONTRACTS

Goldstream

Goldstream did not enter into any material contracts within the two (2) years prior to the date of this Listing Statement, other than contracts entered into in the ordinary course of business.

CannCure

During the the two (2) years prior to the date of this Listing Statement, CannCure and the CannCure Subsidiaries entered into the following material contracts, other than contracts entered into in the ordinary course of business:

Material Contract	Details	Date
Share Purchase Agreement to acquire One Plant Florida	Cannabis Cures Investments LLC entered into a purchase agreement, pursuant to which Cannabis Cures Investments LLC agreed to acquire all of the outstanding membership units of One Plant Florida for an aggregate purchase price of \$48 million.	August 12, 2018
December Promissory Note	CannCure issued a 10.0% interest-bearing demand promissory note in the principal amount of \$19,200,000 in favour of SOL Global.	December 11, 2018
Amended and Restated Share Purchase Agreement	An amended and restated share purchase agreement between CannCure, each of the then CannCure Shareholders and SOL Global, providing for the acquisition by SOL Global of all of the issued and outstanding CannCure Common Shares for an aggregate purchase price of \$41,207,519, plus any consideration paid in satisfaction of the CannCure Earn-Out.	April 1, 2019, as amended August 29, 2019
Debt Conversion Agreement	CannCure and SOL Global entered into the Debt Conversion Agreement, whereby CannCure issued 13,871,602 CannCure Common Shares to SOL Global at a deemed price of \$1.384 per CannCure Common Share, in full and final satisfaction of all outstanding obligations under the December Promissory Note.	April 30, 2019
One Plant Licensing Agreement	Intellectual property license agreement between, among other parties, One Plant Florida and One Plant LLC, pursuant to which One Plant Florida acquired an exclusive, royalty-bearing, non-transferable, non-sublicensable, limited license to use certain intellectual property relating to the One Plant brand, including certain marks and logos, in connection with the promotion, marketing, advertising and retail sale of cannabis in the State of Florida.	September 4, 2019, as amended and restated on December 23, 2019
Letter of Intent with Goldstream	Letter of intent between CannCure and Goldstream pursuant to which CannCure and Goldstream would effect the Business Combination that would result in a reverse takeover of Goldstream by the CannCure Shareholders.	January 8, 2020
Business Combination Agreement	The Business Combination Agreement between CannCure, Goldstream and Subco, providing for, among other things, the reverse takeover of Goldstream by the CannCure Shareholders, by way of a statutory "three-cornered" amalgamation under the provisions of the OBCA.	February 20, 2020, as amended March 19, 2020
Amended and Restated Construction Loan Agreement	CannCure, Cannabis Cures Investments LLC, One Plant Florida and Farm to Fresh Holdings LLC (collectively, as borrower) and AFC (as lender) entered into a loan agreement as amended and restated on April 17, 2020 providing for a non-revolving, staged advance loan for a maximum available principal amount of \$15 million.	April 17, 2020

23. INTEREST OF EXPERTS

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial ownership, direct or indirect, in any securities of the Resulting Issuer or any Related Person (as defined in the CSE Policies) of the Resulting Issuer.

No such person or corporation described above, or any director, officer or employee of such persons or corporations, is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer.

The annual financial statements of Goldstream for the financial years ended December 31, 2019, 2018 and 2017 have been audited by RSM Canada LLP. RSM Canada LLP have confirmed that they are independent of Goldstream within the meaning set out under the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

The annual financial statements of CannCure for the financial year ended December 31, 2019, and for the period from June 5, 2018 (the date of incorporation) to December 31, 2018 have been audited by SRCO Professional Corporation. SRCO Professional Corporation have confirmed that they are independent of CannCure within the meaning set out under the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

24. OTHER MATERIAL FACTS

The Resulting Issuer has not sought an opinion on the US federal, state or local income tax consequences of the RTO Transaction or the US federal, state, or local income tax implications of owning Resulting Issuer Shares, or the US federal, state or local tax implication of the operation of the business of the Resulting Issuer and consequently offers no guidance on any of these issues. Resulting Issuer Shareholders are urged to consult their own tax advisors with respect to the application of the US federal, state and local income tax laws to their individual situations as well as any tax consequences of the purchase, ownership and disposition of Resulting Issuer Shares arising under US federal estate or gift tax rules or under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty. Resulting Issuer Shareholders are solely responsible for their own US federal, state, and local tax advice.

The Resulting Issuer has not sought an opinion on the Canadian federal income tax consequences of the RTO Transaction or the Canadian federal income tax implications of owning Resulting Issuer Shares and consequently offers no guidance on any of these issues. Resulting Issuer Shareholders are urged to consult their own tax advisors with respect to the application of the Canadian federal income tax laws to their individual situations as well as any tax consequences of the purchase, ownership and disposition of Resulting Issuer Shares arising under Canadian federal tax rules or under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty. Resulting Issuer Shareholders are solely responsible for their own Canadian tax advice.

No Other Material Facts

There are no other material facts about the Resulting Issuer and its securities that are not otherwise disclosed in this Listing Statement and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Resulting Issuer, Goldstream, CannCure and their respective securities.

Additional information relating to the Resulting Issuer is available on SEDAR at www.sedar.com.

25. FINANCIAL STATEMENTS

25.1 Financial Statements of the Resulting Issuer, Goldstream and CannCure

Resulting Issuer

The following financial statements are attached as Schedule A to this Listing Statement:

- (a) Consolidated unaudited pro forma financial statements of the Resulting Issuer as at March 31, 2020.

Goldstream

The following financial statements are available under Goldstream's profile on SEDAR at www.sedar.com, and are attached as Schedule B to this Listing Statement:

- (b) Unaudited consolidated financial statements for the three months ended March 31, 2020;
- (c) Audited annual consolidated financial statements for the years ended December 31, 2019 and 2018; and
- (d) Audited annual consolidated financial statements for the years ended December 31, 2018 and 2017.

CannCure

The following financial statements are attached as Schedule C to this Listing Statement:

- (a) Consolidated unaudited financial statements for the three months ended March 31, 2020; and
- (b) Consolidated audited financial statements for the period from June 5, 2018 (date of incorporation) to December 31, 2018 and for the financial year ended December 31, 2019.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Bluma Wellness Inc., hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Bluma Wellness Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Fort Lauderdale, Florida this 11th day of June, 2020.

“Brady Cobb”

Brady Cobb
Chief Executive Officer and Director

“Harry Rosenfeld”

Harry Rosenfeld
Chief Financial Officer

“Chad Moss”

Chad Moss
Chairman and Director

“Michael Bondurant”

Michael Bondurant
President, Chief Strategy Officer and Director

SOL GLOBAL INVESTMENTS CORP.

Per: “Andrew DeFrancesco”

Name: Andrew DeFrancesco

Title: Chief Investment Officer

SCHEDULE A
CONSOLIDATED UNAUDITED PRO FORMA FINANCIAL STATEMENTS OF THE
RESULTING ISSUER AS AT MARCH 31, 2020

(See attached)

Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.)

Unaudited pro forma consolidated statement of financial position as at March 31, 2020

(Expressed in US Dollars)

	Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.)		Cannucure	Note 5	Adjustments	Total
Assets	\$	\$			\$	\$
Current assets						
Cash and cash equivalents	17,303	281,427	(e)		850,000	
			(f)		(300,000)	848,730
Short-term investments	193,839	-				193,839
Prepaid expenses	3,308	186,224				189,532
Prepaid royalty	-	200,000				200,000
Inventories	-	6,535,443				6,535,443
Note receivable	-	-	(h)		9,772,397	9,772,397
Biological assets	-	732,426				732,426
Other receivables	20,489	-				20,489
Total current assets	234,939	7,935,520			10,322,397	18,492,856
Non-current assets						
Prepaid royalty	-	810,767				810,767
Other receivables	-	-	(i)		1,420,000	1,420,000
Deposits	-	1,522,981				1,522,981
Investments	-	600,000				600,000
Property, plant and equipment	-	14,040,277	(e)		4,000,000	18,040,277
Right-of-use assets	-	19,724,475				19,724,475
Intangible assets	-	41,866,509				41,866,509
Goodwill	-	757,038				757,038
Total assets	234,939	87,257,567			15,742,397	103,234,903
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities	318,613	5,234,258				5,552,871
Advances (to) from related party	-	(7,206,706)	(h)		9,772,397	
			(i)		1,420,000	3,985,691
Current portion of note payable	-	800,000				800,000
Current portion of lease liabilities	-	2,663,444				2,663,444
Derivative liability	-	8,728,404				8,728,404
Total current liabilities	318,613	10,219,400			11,192,397	21,730,410
Non-current liabilities						
Lease liabilities	-	17,556,334				17,556,334
Note payable	-	8,738,629				8,738,629
Convertible debentures	-	1,490,182				1,490,182
Construction loan, net of costs	-	2,138,615	(e)		4,850,000	6,988,615
Total liabilities	318,613	40,143,160			16,042,397	56,504,170
Shareholders' Equity						
Share capital	8,951,090	68,680,643	(a)		(8,951,090)	
			(d)		1,503,750	70,184,393
Share-based payment reserve	624,380	5,219,614	(b)		(624,380)	
			(g)		5,810,000	11,029,614
Deficit	(9,659,144)	(31,457,643)	(c)		9,659,144	
			(d)		(1,587,424)	
			(f)		(300,000)	
			(g)		(5,810,000)	(39,155,067)
Total shareholders' equity	(83,674)	42,442,614			(300,000)	42,058,940
Total liabilities and shareholders' equity	234,939	82,585,774			15,742,397	98,563,110

See accompanying notes to the unaudited pro forma financial statement

Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.)

Unaudited pro forma consolidated statement of loss and comprehensive loss

For the three months ended March 31, 2020

(Expressed in US Dollars)

	Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.)	Cannucure	Total
	\$	\$	\$
Revenue	-	1,112,380	1,112,380
Cost of sales			
Cost of inventory sold	-	(416,803)	(416,803)
Production salaries and wages	-	(270,682)	(270,682)
Production supplies and expenses	-	(489,718)	(489,718)
Revenue less cost of sales before fair value adjustments	-	(64,823)	(64,823)
Fair value adjustment of inventories held	-	(8,933)	(8,933)
Fair value adjustment on growth of biological assets	-	1,229,613	1,229,613
Revenue less cost of sales and fair value adjustments	-	1,155,857	1,155,857
Expenses			
Amortization and depreciation	-	1,108,734	1,108,734
Professional fees	-	358,721	358,721
Transaction costs	-	1,287,548	1,287,548
General and administrative	58,134	2,321,316	2,379,450
Insurance	-	311,050	311,050
Finance expense (income)	(1,068)	1,387,238	1,386,170
Share-based payments	-	2,528,876	2,528,876
Change in fair value of contingent consideration	-	-	-
Foreign exchange loss	-	(3,306)	(3,306)
Gain on disposal of assets	-	(660,634)	(660,634)
	57,066	8,639,543	8,696,609
Loss from operations before income taxes	(57,066)	(7,483,686)	(7,540,752)
Income tax expense - current	-	-	-
Income tax recovery - deferred	-	-	-
Net Loss and Comprehensive Loss	(57,066)	(7,483,686)	(7,540,752)
Loss per Share Basic and Diluted		\$	(0.09)

Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.)

Unaudited pro forma consolidated statement of loss and comprehensive loss

For the year ended December 31, 2019

(Expressed in US Dollars)

	Bluma Wellness Inc. (formerly, Goldstream Minerals Inc.)	Canncre	Note 5	Adjustments	Total
	\$	\$		\$	\$
Revenue	-	801,874			801,874
Cost of sales					
Cost of inventory sold	-	(670,558)			(670,558)
Production salaries and wages	-	(2,092,954)			(2,092,954)
Production supplies and expenses	-	(1,635,404)			(1,635,404)
Revenue less cost of sales before fair value adjustments	-	(3,597,042)			(3,597,042)
Fair value adjustment of inventories held	-	(322,207)			(322,207)
Fair value adjustment on growth of biological assets	-	4,775,209			4,775,209
Revenue less cost of sales and fair value adjustments	-	855,960			855,960
Expenses					
Amortization and depreciation	-	3,748,787			3,748,787
Professional fees	-	1,513,096			1,513,096
Transaction costs	-	529,194	(d)	1,587,424	2,416,618
			(i)	300,000	2,416,618
General and administrative	186,499	5,025,274			5,211,773
Insurance	-	369,050			369,050
Finance expense (income)	(4,659)	2,463,855			2,459,196
Share-based payments	-	-	(g)	5,810,000	5,810,000
Change in fair value of contingent consideration	-	(545,243)			(545,243)
Loss on modification	-	-			-
	181,840	13,104,013		7,697,424	20,983,277
Loss from operations before income taxes	(181,840)	(12,248,053)		(7,697,424)	(20,127,317)
Income tax expense - current	-	-			-
Income tax recovery - deferred	-	-			-
Net Loss and Comprehensive Loss	(181,840)	(12,248,053)		(7,697,424)	(20,127,317)
Loss per Share Basic and Diluted					\$ (0.24)

Goldstream Minerals Inc.

Notes to Unaudited Pro Forma Consolidated Financial Statement
December 31, 2019

1. Basis of presentation

The unaudited pro forma consolidated statement of financial position of Bluma Wellness Inc. (the "Company") (formerly, Goldstream Minerals Inc.) as at March 31, 2020, the statements of income and comprehensive income for the three months ended March 31, 2020 and the statements of income and comprehensive income for the year ended December 31, 2019 (collectively, the "Pro Forma Financial Statements"), have been prepared by management based on historical financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), for illustrative purposes only, after giving effect to the proposed transaction between the Company and CannCure Investments Inc. ("CannCure") on the basis of the assumptions and adjustments described in notes 2, 3, 4 and 5.

The unaudited Pro Forma Financial Statements have been derived from:

- (a) the unaudited financial statements of the Company for the three months ended March 31, 2020;
- (b) the unaudited consolidated financial statements of CannCure for the three months ended March 31, 2020;
- (a) the financial statements of the Company for the year ended December 31, 2019;
- (b) the audited consolidated financial statements of CannCure for the year ended December 31, 2019; and
- (c) unless otherwise noted, the unaudited pro forma consolidated statements of financial position and its accompanying notes are presented in US Dollars. For the purpose of these pro forma consolidated statements, all of the Company's numbers have been converted from Canadian to US Dollars based on the closing rate per the Bank of Canada on March 31, 2020 of 1.4187.

It is management's opinion that the unaudited Pro Forma Financial Statements, include all adjustments necessary for the fair presentation, in all material respects, of the transactions described in notes 3 and 4 in accordance with IFRS, applied on a basis consistent with CannCure's accounting policies, except as otherwise noted. The unaudited Pro Forma Financial Statements are not necessarily indicative of the financial position that would have resulted if the combination had actually occurred on March 31, 2020.

The unaudited Pro Forma Financial Statements should be read in conjunction with the historical financial statements and notes thereto of the Company and CannCure, included elsewhere in this Filing Statement.

2. Significant accounting policies

The unaudited Pro Forma Financial Statements have been compiled using the significant accounting policies, as set out in the audited consolidated financial statements of CannCure as at December 31, 2019. Management has determined that no material pro forma adjustments are necessary to conform the Company's accounting policies to the accounting policies used by CannCure in the preparation of its audited financial statements.

3. The transaction

- a) The Company and CannCure have entered into an agreement pursuant to which the Company will acquire all of the issued and outstanding common shares in the capital of CannCure in consideration for securities of the Company.
- b) The Company will consolidate its shares capital on the basis that there will be 1,503,759 common shares outstanding (on a fully diluted basis).
- c) CannCure and the Company will amalgamate and continue as one corporation. Former CannCure security holders shall receive replacement common shares, restrictive share units, stock options and warrants of the Company in exchange for common shares, stock options and warrants of CannCure.
- d) Upon completion of the transaction, the former shareholders of CannCure will become the controlling shareholders of the Company. This type of share exchange, referred to as a reverse acquisition ("RTO"), deems CannCure to be the acquirer for accounting purposes.

The acquisition is subject, but not limited, to regulatory and shareholder approvals.

4. Accounting for RTO

The Transaction has been accounted for in accordance with IFRS 2, which results in the following:

- o CannCure is deemed to be the acquirer and the Company is deemed to be the acquiree for accounting purposes;
- o accordingly, CannCure's balances are accounted for at cost and the Company is accounted for at fair value;
- o since the Company's operations do not constitute a business, the transaction has been accounted for as a reverse acquisition that is not a business combination;

Goldstream Minerals Inc.

Notes to Unaudited Pro Forma Consolidated Financial Statement
December 31, 2019

- o therefore, the Company's share capital and deficit will be eliminated, the consideration transferred by the Company will be allocated to share capital and transaction costs will be expensed;
- o the capital structure recognized in the consolidated financial statements will be that of the Company, but the dollar amount of the issued share capital in the unaudited pro forma consolidated statement of financial position immediately prior to acquisition will be that of Canncre, plus any shares issued by the Company prior to or as part of the transaction.

5. Pro forma assumptions and adjustments

The unaudited pro forma consolidated statement of financial position reflects the following assumptions and adjustments:

- (a) A reduction in share capital of \$8,951,090 to eliminate the Company's historical share capital.
- (b) A reduction in share-based payment reserve of \$624,380 to eliminate the Company's historical share-based payment reserve.
- (c) An adjustment of \$9,659,144 to eliminate the Company's historical deficit.
- (d) Since the Company's operations do not constitute a business, the consideration transferred by the Company will be allocated to share capital and transaction costs will be expensed. An increase in share capital of \$1,503,750 and an increase in deficit of \$1,587,424 has been allocated based on the following:

Consideration transferred (1,503,750 shares at a price of \$1.00 per share)	0	\$ 1,503,750
Cash and cash equivalents		\$ 17,303
Short-term investments		193,839
Prepaid expenses		3,308
Other receivables		20,489
Accounts payable and accrued liabilities		(318,613)
Transaction costs		1,587,424
		<u>\$ 1,503,750</u>

- (e) To reflect the issuance of a secured promissory note by Canncre as part of its construction financing, for gross proceeds of \$5,000,000 subsequent to March 31, 2020 of which approximately \$4,000,000 has been spent on property, plant and equipment. Canncre incurred costs of \$150,000 in connection with this issuance.
- (f) A decrease in cash and a corresponding increase in transaction costs in the amount of \$300,000 representing the estimated legal, accounting, and other fees for the Transaction.
- (g) An increase in share-based payments reserve and a corresponding increase in deficit of \$5,810,000 from the issuance of 7,250,000 restricted share units of Canncre as compensation related to be issued in conjunction with the Transaction based on vesting provisions.
- (h) An increase in current asset and long term note receivable of \$9,772,397 and \$, respectively, and a corresponding increase in advances from related parties of \$9,772,397 representing an executed side letter under which certain amounts from a prior investment are receivable by Canncre.

Goldstream Minerals Inc.

Notes to Unaudited Pro Forma Consolidated Financial Statement
December 31, 2019

- (i) An increase in other receivables of \$1,420,000 and a corresponding increase in advances from related parties of \$1,420,000 representing an advance made to ECD, Inc. on behalf of Cann cure by a related party that has been allocated to Cann cure.

6. Pro forma share capital

	<u>Number</u>	<u>Amount</u>
The Company's common shares outstanding - March 31, 2020 post 1 for 16.0721 consolidation of the Company's shares	1,503,750	\$ 8,951,090
Common shares issued to Cann cure's shareholders	81,277,212	68,680,643
Reverse takeover adjustment - the Company's common shares (note 5(a))	-	(8,951,090)
Consideration transferred to shareholders of the Company (note 5(d))	-	1,503,750
Pro forma share capital - March 31, 2020	<u>82,780,962</u>	<u>\$ 70,184,393</u>

7. Pro forma share-based payment reserve

	<u>Amount</u>
The Company's share-based payment reserve	\$ 624,380
Cann cure's share-based payment reserve	5,219,614
Elimination of the Company's share-based payment reserve as described in note 5(b)	(624,380)
Issuance of RSUs as described in note 5(k)	5,810,000
Pro forma share-based payment reserve - December 31, 2019	<u>\$ 11,029,614</u>

8. Pro forma deficit

	<u>Amount</u>
The Company's deficit	\$ 9,659,144
Cann cure's deficit	31,457,643
Elimination of the Company's deficit (note 5(c))	(9,659,144)
Additional transaction costs in note 5(d)	1,587,424
To record additional transaction costs in note 5(i)	300,000
To record costs associated with issuance of restricted share units in note 5(j)	5,810,000
Pro forma deficit - March 31, 2020	<u>\$ 39,155,067</u>

9. Pro forma statement of loss and comprehensive loss

The unaudited pro forma consolidated statement of loss and comprehensive loss for the three months ended March 31, 2020 consists of the results of Company for the three months ended March 31, 2020 and the results of Cann cure for the three months ended March 31, 2020. The unaudited pro forma consolidated statement of loss and comprehensive loss for the year ended December 31, 2019 consists of the results of Company for the year ended December 31, 2019 and the results of Cann cure for the year ended December

10. Pro forma income taxes

The Company expects to have a pro forma income tax rate of 21%.

SCHEDULE B
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF GOLDSTREAM MINERALS
INC. FOR THE THREE MONTHS ENDED MARCH 31, 2020, AND AUDITED ANNUAL
CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED
DECEMBER 31, 2019, 2018 AND 2017

(See attached)



**BLUMA WELLNESS INC.
(FORMERLY, GOLDSTREAM MINERALS INC.)**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020, AND 2019

(Unaudited, expressed in Canadian Dollars, unless otherwise noted)

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Condensed Consolidated Interim Statements of Financial Position

As at March 31, 2020 and December 31, 2019

(Unaudited)

	Note	March 31, 2020	December 31, 2019
Assets			
Current assets:			
Cash and cash equivalents		\$ 24,548	\$ 23,739
Short-term investments	4	275,000	300,000
Other receivables		29,068	17,678
Prepaid expenses		4,693	1,250
		\$ 333,309	\$ 342,667
Liabilities and Shareholders' Equity (Deficiency)			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 452,016	\$ 380,414
Shareholders' equity (deficiency):			
Share capital	5	12,698,912	12,698,912
Share-based payment reserve	6	885,808	885,808
Deficit		(13,703,427)	(13,622,467)
		(118,707)	(37,747)
		\$ 333,309	\$ 342,667

Nature of operations and going concern (Note 1)

Subsequent events (Note 10)

Approved on behalf of the Board:

"Michael Galloro"
Signed: Director

"Anthony Vella"
Signed: Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2020 and 2019

(Unaudited)

	Three-months ended March 31,	
	2020	2019
General and administrative	\$ 82,475	\$ 60,896
Finance income	(1,515)	(1,553)
Net loss and comprehensive loss	\$ (80,960)	\$ (59,343)
Weighted average number of common shares	1,503,759	1,503,759
Loss per share - basic and diluted	\$ (0.05)	\$ (0.04)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Condensed Consolidated Interim Statements of Equity (Deficiency)

For the three months ended March 31, 2020

(Unaudited)

	Number of common shares	Share capital	Share-based payment reserve	Deficit	Total
Balance at December 31, 2019	1,503,759	\$ 12,698,912	\$ 885,808	\$ (13,622,467)	\$ (37,747)
Net loss and comprehensive loss for the period	-	-	-	(80,960)	(80,960)
Balance at March 31, 2020	1,503,759	\$ 12,698,912	\$ 885,808	\$ (13,703,427)	\$ (118,707)

	Number of common shares	Share capital	Share-based payment reserve	Deficit	Total
Balance at December 31, 2018	1,503,759	\$ 12,698,912	\$ 885,808	\$ (13,381,184)	\$ 203,536
Net loss and comprehensive loss for the period	-	-	-	(59,343)	(59,343)
Balance at March 31, 2019	1,503,759	\$ 12,698,912	\$ 885,808	\$ (13,440,527)	\$ 144,193

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Condensed Consolidated Interim Statements of Cash Flows

For the three months ended March 31, 2020

(Unaudited)

	Three-months ended March 31,	
	2020	2019
Cash flows used in operating activities:		
Net loss and comprehensive loss	\$ (80,960)	\$ (59,343)
Changes in non-cash operating working capital		
Other receivables	(11,390)	(4,257)
Prepaid expenses	(3,443)	-
Accounts payable and accrued liabilities	71,602	46,558
	(24,191)	(17,042)
Cash flows from investing activity:		
Redemption of short-term investments	25,000	-
	25,000	-
Increase (decrease) in cash and cash equivalents	809	(17,042)
Cash and cash equivalents, beginning	23,739	40,295
Cash and cash equivalents, ending	\$ 24,548	\$ 23,253

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

1. Nature of operations and going concern

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.) (the "Company") was incorporated on April 28, 2003 under the Alberta Business Corporations Act and was continued under the Canada Business Corporations Act on August 10, 2010. The address of the Company's registered office is 200-366 Bay St., Toronto, ON, M5H 4B2.

The Company is in the business of identifying, evaluating and negotiating the acquisition of assets or a business. The Company is listed on the NEX Exchange under the trading symbol "GSX.H".

On February 20, 2020, the Company and CannCure Investment Inc. ("CannCure") entered into a definitive business combination agreement (the "Combination Agreement") which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of the Company by CannCure (the "Proposed Transaction"). The resulting issuer from the Proposed Transaction (the "Resulting Issuer") will carry on the business of CannCure as a U.S. multi-state cannabis company to be called "Bluma Wellness Inc." with operations in Florida via One Plant Florida and in the event that its proposed acquisition of ECD Holdings Inc. is completed, will begin operations in the State of California. Under the terms of the Proposed Transaction, the Company will consolidate its issued and outstanding common shares on a ratio of 23.3053 old common shares for 1 new common share.

On March 19, 2020, the Company and CannCure amended the Proposed Transaction. Under the terms of the amendment, the Company will consolidate all of its issued and outstanding common shares on a revised ratio of 16.07201 old common shares for 1 new common share (the "Consolidation").

On May 11, 2020, the Company completed the Consolidation. These condensed consolidated interim financial statements give retroactive effect to such consolidation and all shares and per share amounts have been adjusted accordingly. The Company has also amended its articles in accordance with the *Canada Business Corporation Act* and changed its name from "Goldstream Minerals Inc." to "Bluma Wellness Inc.". The Company filed articles of continuance to continue the Company out of the federal jurisdiction and into the provincial jurisdiction of British Columbia which became effective at the close of business on May 22, 2020.

On May 22, 2020 CannCure shareholders approved the amalgamation of CannCure with a wholly-owned subsidiary of Company to effect the effect the RTO.

On May 25, 2020, the Company announced that CannCure and ECD Holdings Inc. have mutually terminated the proposed acquisition of Northern Emeralds, after the parties failed to come to an agreement on a definitive purchase agreement for the proposed transaction. If and upon the completion of the RTO, the Company intends to remain focused on building, scaling, and operating in the State of Florida and will continue to examine and evaluate strategic expansion opportunities.

These condensed consolidated interim financial statements were approved by the Company's board of directors on May 29, 2020.

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Notes to the Condensed Consolidated Interim Financial Statements
For the three months ended March 31, 2020 and 2019

1. Nature of operations and going concern (continued)

COVID-19 outbreak

The recent outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

The condensed consolidated interim financial statements were prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has minimal cash on hand, significant negative cash flows from operations and no significant source of operating cash flows. In order to meet future expenditures and exploration costs, the Company will need to raise additional financing. Although the Company has been successful in obtaining financing to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company.

As at March 31, 2020, the Company has a working capital deficit of \$118,707 (December 31, 2019 – working capital deficit of \$37,747). In addition, the Company has an accumulated deficit of \$13,703,427 (December 31, 2019 – \$13,622,467). The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of assets or a business. Should the Company be unable to complete such a transaction to raise sufficient financing to maintain operations and complete an acquisition, the Company may be unable to realize on the carrying value of its net assets. To address its financing requirements, during the period ended March 31, 2020, the Company entered into a proposed transaction with CannCure which will result in a reverse takeover of the Company by CannCure. The transaction is expected to close in the second quarter of 2020.

These condensed consolidated interim financial statements do not reflect the adjustments to carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. Such adjustments could be material.

2. Basis of preparation

(a) Statement of compliance

The Company's condensed interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". These condensed interim consolidated financial statements do not include all notes of the type normally included within the annual financial report and should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2019, which has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

2. Basis of preparation (continued)

(b) Basis of presentation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as detailed in the Company's accounting policies.

(c) Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary Goldstream Exploration Ltd. ("Goldstream Exploration").

(d) Functional currency

The Company and its subsidiary's functional currency, as determined by management, is the Canadian dollar. These financial statements are presented in Canadian dollars.

(e) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Significant accounting policies

These condensed consolidated interim financial statements have been prepared following the same accounting policies used in the preparation of the audited financial statements of the Company for the year ended December 31, 2019.

4. Short-term investments

Short-term investment consists of cashable guaranteed investment certificates maturing July 2020 (2019 – July 2019) bearing interest rate at 1.9% (2019 – 1.8%). The Company has recorded interest receivable of \$3,792 (2019 – \$2,717) as other receivables on the statement of financial position. The Company has recorded interest income of \$1,515 for the three months ended March 31, 2020 (2019 - \$1,553).

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Notes to the Condensed Consolidated Interim Financial Statements
For the three months ended March 31, 2020 and 2019

5. Share capital

The Company was authorized to issue an unlimited number of common shares.

Common shares	Number of shares	Amount
Balance: January 1, 2019, December 31, 2019 and March 31, 2020	1,503,759	\$ 12,698,912

6. Share-based payment reserve

For the period ended March 31, 2020, \$Nil (2019 – \$Nil) of share-based compensation expenses were recorded for the fair value of stock options vested to directors, consultants and employees.

As of March 31, 2020, the following stock options are outstanding:

Expiry date	Weighted average exercise price	Number of options
Balance at December 31, 2018	\$16.07	1,236
Expired	\$16.07	(1,236)
Balance at December 31, 2019 and March 31, 2020		-

7. Warrants

As of March 31, 2020, the following warrants are outstanding:

Expiry date	Weighted average exercise price	Number of warrants
Balance at December 31, 2018	\$1.13	821,304
Expired	\$1.13	(821,304)
Balance at December 31, 2019 and March 31, 2020		-

8. Financial risk management and financial instruments

Financial instruments

The carrying values of cash and cash equivalents, short-term investments, and accounts payable and accrued liabilities approximate their fair values due to their short periods to maturity.

Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

(a) Credit risk

The maximum credit exposure at March 31, 2020 and December 31, 2019 is the carrying amount of cash and cash equivalents and short-term investments. All cash and cash equivalents and short-term investments are placed with a major Canadian financial institution.

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

8. Financial risk management and financial instruments (continued)

(b) Liquidity risk

The Company is exposed to liquidity risk or the risk of not meeting its financial obligations as they come due. The Company constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations (see Note 1). As at March 31, 2020 and December 31, 2019, the Company's financial liabilities consist of accounts payable and accrued liabilities, which have contractual maturity dates within one year.

(c) Market risk

The Company's cash and cash equivalents consist of cash held in bank accounts and short-term investments consists of guaranteed investment certificates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values.

(d) Capital management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its capital expenditures for its continued exploration programs, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. During the period ended on March 31, 2020, the Company had not entered into any new debt financing agreements. Furthermore, the Company is not subject to any externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company's capital management approach in the period.

9. Related party transactions

The Company transacts with related parties in the normal course of business. These transactions are measured at their exchange amounts.

(a) Included in accounts payable and accrued liabilities was \$216,142 owing to officers and directors or their respective controlled companies (December 31, 2019 - \$182,882).

(b) During the three months ended March 31, 2020, \$7,650 (2019 - \$7,650), of consulting fees were incurred from a company controlled by a director.

Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2020 and 2019

10. Subsequent events

On May 11, 2020, the Company completed the Consolidation and on the same date, amended its articles in accordance with the *Canada Business Corporation Act* and changed its name from "Goldstream Minerals Inc." to "Bluma Wellness Inc.". The Company filed articles of continuance to continue the Company out of the federal jurisdiction and into the provincial jurisdiction of British Columbia which became effective at the close of business on May 22, 2020.

On May 22, 2020, CannCure shareholders approved the amalgamation of CannCure with a wholly-owned subsidiary of the Company to effect the effect the RTO.

On May 25, 2020, the Company announced that CannCure and ECD Holdings Inc. have mutually terminated the proposed acquisition of Northern Emeralds, after the parties failed to come to an agreement on a definitive purchase agreement for the proposed transaction. If and upon the completion of the RTO, the Company intends to remain focused on building, scaling, and operating in the State of Florida and will continue to examine and evaluate strategic expansion opportunities.



GOLDSTREAM MINERALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019, AND 2018

(Expressed in Canadian Dollars, unless otherwise noted)



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Goldstream Minerals Inc.

Opinion

We have audited the consolidated financial statements of Goldstream Minerals Inc. and its subsidiary, (the Company), which comprise the consolidated statements of financial position as at December 31, 2019 and December 31, 2018, and the consolidated statements of loss and comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2019 and December 31, 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended December 31, 2019 and December 31, 2018 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements which indicates that the Company as at December 31, 2019 has working capital deficit of \$37,747 and an accumulated deficit of \$13,622,467. As stated in Note 1, these conditions, along with other matters as set forth in Note 1, indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial performance of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Stephen McCourt.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
March 10, 2020
Toronto, Ontario

Goldstream Minerals Inc.

Consolidated Statements of Financial Position
As at December 31

	Note	2019	2018
Assets			
Current assets:			
Cash and cash equivalents		\$ 23,739	\$ 40,295
Short-term investments	4	300,000	350,000
Other receivables		17,678	33,239
Prepaid expenses		1,250	-
		\$ 342,667	\$ 423,534
Liabilities and Shareholders' Equity (Deficiency)			
Current liabilities:			
Accounts payable and accrued liabilities	9	\$ 380,414	\$ 219,998
Shareholders' equity (deficiency):			
Share capital	5	12,698,912	12,698,912
Share-based payment reserve		885,808	885,808
Deficit		(13,622,467)	(13,381,184)
		(37,747)	203,536
		\$ 342,667	\$ 423,534

Nature of operations and going concern (Note 1)

Subsequent events (Note 11)

Approved on behalf of the Board:

"Michael Galloro"

Signed: Director

"Anthony Vella"

Signed: Director

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31

	2019		2018	
General and administrative	\$	247,465	\$	238,526
Finance income		(6,182)		(3,003)
Net loss and comprehensive loss	\$	(241,283)	\$	(235,523)
Weighted average number of common shares		24,168,432		21,853,912
Loss per share - basic and diluted	\$	(0.01)	\$	(0.01)

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Consolidated Statements of Equity (Deficiency)
For the years ended December 31

	Number of common shares	Share capital	Share-based payment reserve	Deficit	Total
Balance at December 31, 2018	24,168,432	\$ 12,698,912	\$ 885,808	\$ (13,381,184)	\$ 203,536
Net loss and comprehensive loss for the year	-	-	-	(241,283)	(241,283)
Balance at December 31, 2019	24,168,432	\$ 12,698,912	\$ 885,808	\$ (13,622,467)	\$ (37,747)

	Number of common shares	Share capital	Share-based payment reserve	Deficit	Total
Balance at December 31, 2017	10,968,432	\$ 12,044,644	\$ 885,808	\$ (13,145,661)	\$ (215,209)
Issuance of shares	13,200,000	660,000	-	-	660,000
Less: share issuance costs		(5,732)	-	-	(5,732)
Net loss and comprehensive loss for the year	-	-	-	(235,523)	(235,523)
Balance at December 31, 2018	24,168,432	\$ 12,698,912	\$ 885,808	\$ (13,381,184)	\$ 203,536

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Consolidated Statements of Cash Flows
For the years ended December 31

	2019	2018
Cash flows used in operating activities:		
Net loss and comprehensive loss	\$ (241,283)	\$ (235,523)
Changes in non-cash operating working capital		
Other receivables	15,561	(29,961)
Prepaid expenses	(1,250)	-
Accounts payable and accrued liabilities	160,416	(178)
	(66,556)	(265,662)
Cash flows from / (used in) investing activities:		
Redemption of short-term investments	50,000	-
Short-term investments	-	(350,000)
	50,000	(350,000)
Cash flows from financing activities:		
Proceeds from the issuance of common shares	-	660,000
Share issuance costs	-	(5,732)
	-	654,268
Increase / (Decrease) in cash and cash equivalents	(16,556)	38,606
Cash and cash equivalents, beginning	40,295	1,689
Cash and cash equivalents, ending	\$ 23,739	\$ 40,295

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

1. Nature of operations and going concern

Goldstream Minerals Inc. (the "Company" or "Goldstream") was incorporated on April 28, 2003 under the Alberta Business Corporations Act and was continued under the Canada Business Corporations Act on August 10, 2010. The address of the Company's registered office is 200-366 Bay St., Toronto, ON, M5H 4B2.

The Company is in the business of identifying, evaluating and negotiating the acquisition of assets or a business. The Company is listed on the NEX Exchange under the trading symbol "GSX.H".

On February 20, 2020, the Company and CannCure Investment Inc. ("CannCure") have entered into a definitive business combination agreement (the "Combination Agreement") which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of the Company by CannCure (the "Proposed Transaction"). The resulting issuer from the Proposed Transaction (the "Resulting Issuer") will carry on the business of CannCure as a U.S. multi-state cannabis company to be called "Bluma Wellness Inc." with operations in Florida via One Plant Florida (f/k/a 3 Boys Farm LLC) and in the event that its proposed acquisition of ECD Holdings Inc. (d/b/a as "Northern Emeralds") is completed, will begin operations in the State of California. For more details, please refer to Note 11 – *Subsequent events*.

These consolidated financial statements were approved by the Company's board of directors on March 10, 2020.

The consolidated financial statements were prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has minimal cash on hand, significant negative cash flows from operations and no significant source of operating cash flows. The ability of the Company to fund its potential future operations is dependent upon the completing an acquisition of assets or a business and may need to raise additional financing. There is no assurance that the Company will be able to complete a transaction or raise additional financing in the future.

As at December 31, 2019, the Company has a working capital deficit of \$37,747 (December 31, 2018 – working capital of \$203,536). In addition, the Company has an accumulated deficit of \$13,622,467 (December 31, 2018 – \$13,381,184). The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of assets or a business. Should the Company be unable to complete such a transaction to raise sufficient financing to maintain operations and complete an acquisition, the Company may be unable to realize on the carrying value of its net assets. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. Such adjustments could be material.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

2. Basis of preparation

(a) Statement of compliance

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

(b) Basis of presentation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as detailed in the Company's accounting policies.

(c) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Goldstream Exploration Ltd. ("Goldstream Exploration").

(d) Functional currency

The Company and its subsidiary's functional currency, as determined by management, is the Canadian dollar. These consolidated financial statements are presented in Canadian dollars.

(e) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Significant accounting policies

The significant accounting policies used by the Company are as follows:

(a) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

3. Significant accounting policies (continued)

(b) Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is not recognized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity. The Company does not bifurcate the value of warrants issued as part of a unit raise.

(d) Loss per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. For the years ended December 31, 2019 and 2018, all warrants and options are not dilutive.

(e) Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

3. Significant accounting policies (continued)

(e) Share-based payments (continued)

The fair value of the options for employee services is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options using the graded vesting method. The fair value is recognized as an expense with the corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments for non-employee services are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

(f) Financial instruments

Classification

On initial recognition, the Company determines the classification of financial instruments based on the following categories:

1. Measured at amortized cost
2. Measured at fair value through profit or loss (FVTPL)
3. Measured at fair value through other comprehensive income (FVOCI)

The classification under IFRS9 is based on the business model under which a financial asset is managed and on its contractual cash flow characteristics. Assets held for the collection of contractual cashflows and for which those cashflows correspond solely to principal repayments and interest payments are measured at amortized cost. Contracts with embedded derivatives where the host is a financial instrument in the scope of the standard will be assessed as a whole for classification.

A financial asset is measured at amortized cost if both of the following criteria are met:

1. Held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. Contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments held for trading are classified as FVTPL. For all other equity investments that are not held for trading, the Company may irrevocably elect, on initial recognition, to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as derivatives), or if the Company has chosen to evaluate them at FVTPL.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

3. Significant accounting policies (continued)

(f) Financial instruments (continued)

We have assessed the classification and measurement of our financial instruments under IFRS 9:

Financial instruments	Classification category	Measurement category
Assets		
Cash and cash equivalents	Amortized cost	Amortized cost
Short-term investments	Amortized cost	Amortized cost
Liabilities		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

Measurement

Initial recognition – A financial asset or financial liability is initially recorded at its fair value, which is typically the transaction price, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. In the event that fair value is determined to be different from the transaction price, and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or is based on a valuation technique that uses only data from observable markets, then the difference between fair value and transaction price is recognized as a gain or loss at the time of initial recognition.

Amortized cost – The amount at which a financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount on initial recognition.

Fair value through profit or loss – Changes in fair value after initial recognition, whether realized or not, are recognized through the statements of net loss and comprehensive loss. Income arising in the form of interest, dividends, or similar, is recognized through the statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Fair value through other comprehensive income – Changes in fair value after initial recognition, whether realized or not, are recognized through other comprehensive income. Income arising in the form of interest, dividends, or similar, is recognized through the statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

3. Significant accounting policies (continued)

(f) Financial instruments (continued)

The Company has applied the simplified approach to recognise lifetime expected credit losses for its accounts receivable. In general, the Company anticipates that the application of the expected credit loss model of IFRS 9 results in earlier recognition of credit losses for the respective items.

Derecognition

Financial assets – The Company derecognizes a financial asset when the contractual rights to the cashflows from the financial asset have expired or when contractual rights to the cashflows have been transferred. Gains and losses from the derecognition are recognized in the statements of net loss and comprehensive loss.

Financial liabilities – The Corporation derecognizes a financial liability when the obligation specified in the contract is discharged, canceled or expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable, including non-cash assets transferred or liabilities assumed, is recognized in the statements of net loss and comprehensive loss.

(g) New standards and interpretations issued and adopted

IFRS 16 Leases was issued by the IASB in January 2016 and specifies the requirements to recognize, measure, present and disclose leases. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted. As the Company did not have any existing leasing arrangements, no material impact to the financial statement was noted upon adoption.

4. Short-term investments

Short-term investment consists of cashable guaranteed investment certificates maturing July 2020 (2018 – July 2019) and bearing interest of 1.9% (2019 – 1.8%). As at December 31, 2019, the Company has interest receivable of \$2,717 (2018 – \$3,003) including other receivables on the statement of financial position. The Company has recorded interest income of \$6,182 for the year ended December 31, 2019 (2018 - \$3,003).

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

5. Share capital

The Company was authorized to issue an unlimited number of common shares.

Common shares	Number of shares	Amount
Balance: January 1, 2018	10,968,432	\$ 12,044,644
Issuance of shares, net of issuance costs	13,200,000	654,268
Balance: December 31, 2018 and 2019	24,168,432	\$ 12,698,912

In March 2018, the Company completed a non-brokered private placement for 13,200,000 common share units ("Unit") at a price of \$0.05 per Unit, for gross proceeds of \$660,000 less share issuance costs of \$5,732. Each Unit consists of a common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share at \$0.07 per share for a period of 12 months after close (Note 7).

6. Share-based payment reserve

For the year ended December 31, 2019 and 2018, no share-based compensation expenses were recorded for the fair value of stock options vested to directors, consultants and employees.

The following stock options are outstanding:

Expiry date	Weighted average exercise price	Number of options
Balance at December 31, 2018	\$1.00	19,860
Expired	\$1.00	(19,860)
Balance at December 31, 2019		-

7. Warrants

As of December 31, 2019, the following warrants are outstanding:

Expiry date	Weighted average exercise price	Number of warrants
Balance at December 31, 2018	\$0.07	13,200,000
Expired	\$0.07	(13,200,000)
Balance at December 31, 2019		-

A total of 13,200,000 (2017 – nil) warrants were issued as part of the March 2018 private placement (Note 5).

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

8. Financial risk management and financial instruments

Financial instruments

The carrying values of cash and cash equivalents, short-term investments, other receivables, accounts payable and accrued liabilities approximate their fair values due to their short periods to maturity.

Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

(a) Credit risk

The maximum credit exposure at December 31, 2019 and 2018 is the carrying amount of cash and cash equivalents and short-term investments. All cash and cash equivalents and short-term investments are placed with a major Canadian financial institution.

(b) Liquidity risk

The Company is exposed to liquidity risk or the risk of not meeting its financial obligations as they come due. The Company constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations (see Note 1). As at December 31, 2019 and 2018, the Company's financial liabilities consist of accounts payable and accrued liabilities, which have contractual maturity dates within one year.

(c) Market risk

The Company's cash and cash equivalents consist of cash held in bank accounts and short-term investments consists of guaranteed investment certificates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values.

(d) Capital management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its capital expenditures for its continued exploration programs, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. During the year ended on December 31, 2019 and 2018, the Company had not entered into any new debt financing agreements. Furthermore, the Company is not subject to any externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company's capital management approach in the period.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

9. Related party transactions

The Company transacts with related parties in the normal course of business. These transactions are measured at their exchange amounts.

- (a) Included in accounts payable and accrued liabilities was \$182,882 owing to officers and directors or their respective controlled companies (December 31, 2018 - \$102,882).
- (b) During the year ended December 31, 2019, \$110,742 (2018 - \$111,773), of consulting fees were incurred from a company controlled by a director.

10. Income taxes and deferred income taxes

A reconciliation of income taxes at the statutory rate with the reported taxes is as follows:

	2019	2018
Loss before income taxes	\$ 241,283	\$ 235,523
Combined federal and provincial tax rate	26.5%	26.5%
Expected income tax recovery	(63,940)	(62,414)
Non-deductible expenses	-	(1,518)
Tax assets not recognized	63,940	63,932
Income tax expense (recovery)	\$ -	\$ -

The significant components of the Company's deferred income tax assets and liabilities are as follows:

	2019	2018
Resource properties	\$ 1,083,149	\$ 1,083,149
Non-capital loss carry forward	2,258,000	2,193,260
Intangibles	44,514	44,514
Share issuance costs	1,412	2,216
	3,387,075	3,307,079
Tax assets not recognized	(3,387,075)	(3,307,079)
Deferred income tax asset	\$ -	\$ -

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2019 and 2018

10. Income taxes and deferred income taxes (continued)

The Company has non-capital losses available for deduction against taxable income. These losses, if not utilized, will begin to expire in 2029 as follows:

2028	\$ 8,130
2029	123,517
2030	4,313,073
2031	93,160
2032	68,638
2033	185,928
2034	76,989
2035	23,364
2036	153,466
2037	270,660
2038	197,288
2039	218,284
	<u>\$ 5,732,497</u>

11. Subsequent events

On February 20, 2020, the Company and CannCure have entered into the Combination Agreement which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of the Company by CannCure (the "Proposed Transaction"). The Resulting Issuer from the Proposed Transaction will carry on the business of CannCure as a U.S. multi-state cannabis company. Under the terms of the Combination Agreement the Proposed Transaction will be completed by way of a three-cornered amalgamation involving a wholly-owned subsidiary of the Company amalgamating with CannCure to form a single, wholly-owned subsidiary of the Resulting Issuer. As a condition to the Proposed Transaction, the Company will de-list from NEX board of the TSX Venture Exchange and the Resulting Issuer will apply to list its common shares on the Canadian Securities Exchange.



GOLDSTREAM MINERALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2018, AND 2017

(Expressed in Canadian Dollars, unless otherwise noted)



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Goldstream Minerals Inc.

Opinion

We have audited the consolidated financial statements of Goldstream Minerals Inc. and its subsidiary, (the Company), which comprise the consolidated statements of financial position as at December 31, 2018 and December 31, 2017, and the consolidated statements of loss and comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2018 and December 31, 2017, and its consolidated financial performance and its consolidated cash flows for the years then ended December 31, 2018 and December 31, 2017 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial performance of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Stephen McCourt.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
April 10, 2019
Toronto, Ontario

Goldstream Minerals Inc.

Consolidated Statements of Financial Position
As at December 31

	Note	2018	2017
Assets			
Current assets:			
Cash and cash equivalents		\$ 40,295	\$ 1,689
Short-term investments	4	350,000	-
Other receivables		33,239	3,278
Prepaid expenses		-	-
		\$ 423,534	\$ 4,967
Liabilities and Shareholders' Equity (Deficiency)			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 219,998	\$ 220,176
Shareholders' equity (deficiency):			
Share capital	5	12,698,912	12,044,644
Share-based payment reserve	6	885,808	885,808
Deficit		(13,381,184)	(13,145,661)
		203,536	(215,209)
		\$ 423,534	\$ 4,967

Nature of operations and going concern (Note 1)

Approved on behalf of the Board:

"Michael Galloro"
Signed: Director

"Anthony Vella"
Signed: Director

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31

	2018	2017
General and administrative	\$ 238,526	\$ 222,015
Finance income	(3,003)	-
Net loss and comprehensive loss	\$ (235,523)	\$ (222,015)
Weighted average number of common shares	21,853,912	10,968,432
Loss per share - basic and diluted	\$ (0.01)	\$ (0.02)

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Consolidated Statements of Equity (Deficiency)
For the years ended December 31

	Number of common shares	Share capital	Share-based payment reserve	Deficit	Total
Balance at December 31, 2017	10,968,432	\$ 12,044,644	\$ 885,808	\$ (13,145,661)	(215,209)
Issuance of shares	13,200,000	660,000	-	-	660,000
Share issuance costs	-	(5,732)	-	-	(5,732)
Net loss and comprehensive loss for the year	-	-	-	(235,523)	(235,523)
Balance at December 31, 2018	24,168,432	\$ 12,698,912	\$ 885,808	\$ (13,381,184)	203,536

	Number of common shares	Share capital	Share-based payment reserve	Deficit	Total
Balance at December 31, 2016	10,968,432	\$ 12,044,644	\$ 885,808	\$ (12,923,646)	6,806
Net loss and comprehensive loss for the year	-	-	-	(222,015)	(222,015)
Balance at December 31, 2017	10,968,432	\$ 12,044,644	\$ 885,808	\$ (13,145,661)	(215,209)

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Consolidated Statements of Cash Flows
For the years ended December 31

	2018	2017
Cash flows used in operating activities:		
Net loss and comprehensive loss	\$ (235,523)	\$ (222,015)
Changes in non-cash operating working capital		
Other receivables	(29,961)	2,822
Prepaid expenses	-	250
Accounts payable and accrued liabilities	(178)	156,024
	(265,662)	(62,919)
Cash flows used in investing activity:		
Short-term investments	(350,000)	-
	(350,000)	-
Cash flows from financing activities:		
Proceeds from the issuance of common shares	660,000	-
Share issuance costs	(5,732)	-
	654,268	-
Increase / (Decrease) in cash and cash equivalents	38,606	(62,919)
Cash and cash equivalents, beginning	1,689	64,608
Cash and cash equivalents, ending	\$ 40,295	\$ 1,689

The accompanying notes are an integral part of these consolidated financial statements

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

1. Nature of operations and going concern

Goldstream Minerals Inc. (the “Company” or “Goldstream”) was incorporated on April 28, 2003 under the Alberta Business Corporations Act and was continued under the Canada Business Corporations Act on August 10, 2010. The address of the Company’s registered office is 200-366 Bay St., Toronto, ON, M5H 4B2.

The Company is an exploration stage junior mining company engaged in the business of identification, acquisition and exploration of mineral interests. The Company is listed on the NEX Exchange under the trading symbol “GSX.H”.

These consolidated financial statements were approved by the Company’s board of directors on April 10, 2019.

The consolidated financial statements were prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has minimal cash on hand, significant negative cash flows from operations and no significant source of operating cash flows. In order to meet future expenditures and exploration costs, the Company will need to raise additional financing. Although the Company has been successful in obtaining financing to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company.

As at December 31, 2018, the Company has working capital of \$203,536 (December 31, 2017 – working capital deficit of \$215,209). In addition, the Company has an accumulated deficit of \$13,381,184 (December 31, 2017 – \$13,145,661). The Company’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of assets or a business. Should the Company be unable to complete such a transaction to raise sufficient financing to maintain operations and complete an acquisition, the Company may be unable to realize on the carrying value of its net assets. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. Such adjustments could be material.

2. Basis of preparation

(a) Statement of compliance

The Company’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

(b) Basis of presentation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as detailed in the Company’s accounting policies.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

2. Basis of preparation (continued)

(c) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Goldstream Exploration Ltd. ("Goldstream Exploration").

(d) Functional currency

The Company and its subsidiary's functional currency, as determined by management, is the Canadian dollar. These financial statements are presented in Canadian dollars.

(e) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Significant accounting policies

The significant accounting policies used by the Company are as follows:

(a) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less.

(b) Mineral property interests and related costs

Exploration costs are charged to operations as incurred until such time that proven reserves are discovered. Costs of acquisition of mineral rights and option payments are capitalized until the properties are abandoned, sold, the rights expire or there is impairment in value.

When proven reserves are determined, the Company will capitalize all future costs to the extent that future cash flows from mineral reserves are expected to equal or exceed the costs deferred. The deferred costs will be amortized over the recoverable reserves when a property reaches commercial production. Capitalized costs are reviewed annually or when changes in circumstances suggest their carrying value has become impaired.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

3. Significant accounting policies (continued)

(c) Property option agreements

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are recorded as property costs or recoveries when the payments are made or received.

(d) Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statement of loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is not recognized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(e) Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity. The Company does not bifurcate the value of warrants issued as part of a unit raise.

(f) Loss per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. For the years ended December 31, 2018 and 2017, all warrants and options are not dilutive.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

3. Significant accounting policies (continued)

(g) Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted.

The fair value of the options for employee services is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options using the graded vesting method. The fair value is recognized as an expense with the corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments for non-employee services are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

(h) Financial instruments

Financial assets are required to be initially measured at fair value and subsequently classified at amortized costs or fair value on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Company's financial assets include cash and cash equivalents and short-term investments and are classified as amortized cost because the Company's business model is to hold these financial instruments to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

Financial liabilities include trade payable and accrued liabilities are initially measured at fair value and subsequently classified as amortized cost.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

3. Significant accounting policies (continued)

(h) New standards and interpretations issued and adopted

IFRS 9, Financial Instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI without subsequent recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The Company has adopted IFRS 9 on January 1, 2018 using a modified retrospective basis and the financial statements on that date were as follows, with any reclassifications from December 31, 2017 noted:

	Classification category		Measurement category		Carrying amount at January 1, 2018		
	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Difference
Financial instruments							
Assets							
Cash	FVTPL	Amortized cost	FVTPL	Amortized cost	\$ 1,689	\$ 1,689	\$ -
Liabilities							
Trade and other payable	Other financial liabilities	Amortized cost	Amortized cost	Amortized cost	\$ 220,176	\$ 220,176	\$ -

In January 2016, the *IASB issued IFRS 16, Leases*, which will replace IAS 17, Leases. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 now requires lessees to recognize a lease liability reflecting future lease payments and a right-of-use asset for virtually all lease contracts. There is an optional exemption for certain short-term leases and leases of low value assets. The standard is effective for annual periods beginning on or after January 1, 2019, with earlier application if IFRS 15 is also applied. As the Company has no contractual obligations in the form of operating leases, there will be no increase to assets or liabilities upon adoption of IFRS 16, and no changes to the timing of recognition of expenses associated such lease arrangements.

4. Short-term investments

Short-term investment consists of cashable guaranteed investment certificates maturing July 2019 bearing interest rate at 1.8%. The Company has recorded interest receivable of \$3,003 (2017 – \$Nil) as other receivables on the statement of financial position.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

5. Share capital

The Company was authorized to issue an unlimited number of common shares.

Common shares	Number of shares	Amount
Balance: January 1, 2017 and December 31, 2017	10,968,432	\$12,044,644
Issuance of common shares (net)	13,200,000	654,268
Balance: December 31, 2018	24,168,432	\$12,698,912

In March 2018, the Company completed a non-brokered private placement for 13,200,000 common share units ("Unit") at a price of \$0.05 per Unit, for gross proceeds of \$660,000 less share issuance costs of \$5,732. Each Unit consists of a common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share at \$0.07 per share for a period of 12 months after close (Note 7).

6. Share-based payment reserve

For the year ended December 31, 2018, \$Nil (2017 – \$Nil) of share-based compensation expenses were recorded for the fair value of stock options vested to directors, consultants and employees.

The following stock options are outstanding:

Expiry date	Weighted average exercise price	Number of options	Vested and exercisable
May 5, 2019	\$1.00	19,860	19,860
Balance at December 31, 2018 and 2017	\$1.00	19,860	19,860

7. Warrants

As of December 31, 2018, the following warrants are outstanding:

	Weighted average exercise price	Number of warrants
Balance at December 31, 2017		-
Issued, expires March 5, 2019	\$0.07	13,200,000
Balance at December 31, 2018	\$0.07	13,200,000

A total of 13,200,000 warrants were issued as part of the March 2018 private placement (Note 5).

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

8. Financial risk management and financial instruments

Financial instruments

The carrying values of cash and cash equivalents, short-term investments, and accounts payable and accrued liabilities approximate their fair values due to their short periods to maturity.

Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

(a) Credit risk

The maximum credit exposure at December 31, 2018 is the carrying amount of cash and cash equivalents and short-term investments. All cash and cash equivalents and short-term investments are placed with a major Canadian financial institution.

(b) Liquidity risk

The Company is exposed to liquidity risk or the risk of not meeting its financial obligations as they come due. The Company constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations (see Note 1). As at December 31, 2018, the Company's financial liabilities consist of accounts payable and accrued liabilities, which have contractual maturity dates within one year.

(c) Market risk

The Company's cash and cash equivalents consist of cash held in bank accounts and short-term investments consists of guaranteed investment certificates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values.

(d) Capital management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its capital expenditures for its continued exploration programs, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. During the year ended on December 31, 2018, the Company had not entered into any new debt financing agreements. Furthermore, the Company is not subject to any externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company's capital management approach in the period.

9. Related party transactions

The Company transacts with related parties in the normal course of business. These transactions are measured at their exchange amounts.

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

- (a) Included in accounts payable and accrued liabilities was \$102,882 owing to officers and directors or their respective controlled companies (December 31, 2017 - \$105,670).
- (b) During the year ended December 31, 2018, \$111,773 (2017 - \$110,020), of consulting fees were incurred from a company controlled by a director.

10. Income taxes and deferred income taxes

A reconciliation of income taxes at the statutory rate with the reported taxes is as follows:

	2018	2017
Loss before income taxes	\$ 235,523	\$ 222,015
Combined federal and provincial tax rate	26.5%	26.5%
Expected income tax recovery	(62,414)	(58,834)
Non-deductible expenses	(1,518)	-
True up of non-capital losses and resource pool balance	-	(808,408)
Tax assets not recognized	63,932	867,242
Income tax expense (recovery)	\$ -	\$ -

Goldstream Minerals Inc.

Notes to the Consolidated Financial Statements
For the years ended December 31, 2018 and 2017

10. Income taxes and deferred income taxes (continued)

The significant components of the Company's deferred income tax assets and liabilities are as follows:

	2018	2017
Resource properties	\$ 1,083,149	\$ 1,083,149
Non-capital loss carry forward	2,193,260	2,130,043
Cumulative eligible capital	44,514	44,514
Share issuance costs	2,216	1,501
	3,323,139	3,259,207
Valuation allowance	(3,323,139)	(3,259,207)
Deferred income tax asset	\$ -	\$ -

The Company has non-capital losses available for deduction against taxable income. These losses, if not utilized, will begin to expire in 2028 as follows:

2028	\$ 8,130
2029	123,517
2030	4,420,809
2031	681,733
2032	381,730
2033	853,679
2034	636,843
2035	491,307
2036	169,490
2037	270,660
2038	238,557
	\$ 8,276,455

SCHEDULE C
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF CANNCURE INVESTMENTS
INC. FOR THE THREE MONTHS ENDED MARCH 31, 2020, AND CONSOLIDATED
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM JUNE 5, 2018 (DATE OF
INCORPORATION) TO DECEMBER 31, 2018 AND FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2019

(See attached)

CannCure Investments Inc.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States Dollars)

CannCure Investments Inc.

For the Three Months ended March 31, 2020 and 2019 (Unaudited)

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CANNCURE INVESTMENTS INC.**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in United States dollars)

(Unaudited)

As at	NOTE	March 31, 2020 \$	December 31, 2019 \$
Assets			
Current assets			
Cash and cash equivalents		281,427	176,518
Inventories	4	6,535,443	5,695,785
Biological assets	5	732,426	768,206
Prepaid royalty	6	200,000	200,000
Prepaid expenses		186,224	202,564
Advances to related party	17	7,206,706	-
		15,142,226	7,043,073
Prepaid royalty	6	810,767	800,000
Deposits	7	1,522,981	1,512,811
Investments	8	600,000	600,000
Property, plant and equipment	9	14,029,017	12,189,711
Right-of-use assets	10	19,724,475	16,160,008
Intangible assets	11	41,866,509	42,640,676
Goodwill	11	757,038	757,038
		94,453,013	81,703,317
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		5,234,257	4,082,780
Advances from related party	17	-	3,300,582
Current portion of note payable	14	800,000	5,868,945
Advance subscription		-	5,000,000
Current portion of lease liabilities	10	2,663,444	2,145,221
Derivative liability	15,16	8,728,404	-
		17,426,105	20,397,528
Lease liabilities	10	17,556,334	14,305,577
Note payable	14	6,150,716	-
Convertible debenture	15	8,738,629	-
Construction loan	16	2,138,615	-
		52,010,399	34,703,105
Shareholders' equity			
Share capital	12	68,680,643	66,283,431
Contributed surplus	12	5,219,614	4,690,738
Deficit		(31,457,643)	(23,973,957)
		42,442,614	47,000,212
		94,453,013	81,703,317

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Going Concern (Note 2)

Commitments and contingencies (Note 13)

CANNCURE INVESTMENTS INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)

(Unaudited)

	NOTE	March 31, 2020	March 31, 2019
		\$	\$
Revenue		1,112,380	-
Cost of sales			
Cost of inventory sold		(416,803)	-
Production salaries and wages		(270,682)	-
Production supplies and expense		(489,718)	-
Revenues less cost of sales before fair value adjustments		(64,823)	-
Fair value adjustment on inventories		(8,933)	(78,352)
Fair value adjustment on growth of biological assets	5	1,229,613	784,644
Revenue less cost of sales and fair value adjustments		1,155,857	706,292
Expenses:			
Amortization and depreciation	9,10,11	1,108,734	814,740
Stock-based payments		2,528,876	-
Finance expense		1,387,238	15,366
Foreign exchange loss		(3,306)	-
Gain on change in fair value of contingent consideration		-	(545,243)
General and administrative		2,321,316	690,952
Insurance		311,050	-
Transaction costs		1,287,548	-
Professional fees		358,721	322,058
Gain on disposal of assets		(660,634)	-
		8,639,543	1,297,873
Comprehensive loss		(7,483,686)	(591,581)
Net loss per share - Basic and diluted			
Basic and diluted		\$ (0.09)	\$ (0.01)
Weighted average shares outstanding		83,411,837	61,128,398

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

CANNCURE INVESTMENTS INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)
(Unaudited)

	Number of Shares	Common Shares \$	Contributed Surplus \$	Deficit \$	Total \$
Balance, December 31, 2019	78,880,000	66,283,431	4,690,738	(23,973,957)	47,000,212
Issuance of common shares for service	2,397,212	2,397,212	-	-	2,397,212
Issuance of warrants	-	-	528,876	-	528,876
Net loss for the period	-	-	-	(7,483,686)	(7,483,686)
Balance, March 31, 2020	81,277,212	68,680,643	5,219,614	(31,457,643)	42,442,614
Balance, December 31, 2018	61,128,398	41,475,947	34,874	(11,708,328)	29,802,493
Impact of change in accounting policy	-	-	-	(17,576)	(17,576)
Adjusted balance, January 1, 2019	61,128,398	41,475,947	34,874	(11,725,904)	29,784,917
Net loss for the period	-	-	-	(591,581)	(591,581)
Balance, March 31, 2019	61,128,398	41,475,947	34,874	(12,317,485)	29,193,336

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

CANNCURE INVESTMENTS INC
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)
(Unaudited)

	March 31, 2020	March 31, 2019
	\$	\$
Cash flows used in operating activities		
Net loss and comprehensive loss	(7,483,686)	(591,581)
Adjustments for items not affecting cash:		
Accretion and accrued interest	306,063	-
Amortization and depreciation	1,108,734	814,740
Gain on fair value change in contingent consideration	-	(545,243)
Decrease in fair value of inventories	8,933	78,352
Increase in fair value due to growth of biological assets	(1,229,613)	(784,644)
Conversion of advance subscription	(5,000,000)	-
Transaction costs	936,033	-
Stock based payments	3,026,088	-
Change in non-cash working capital		
Inventories	(848,591)	-
Biological assets	1,265,393	-
Prepaid expenses	16,340	31,527
Deposits paid	(10,170)	(29,000)
Prepaid royalty	(10,767)	(1,000,000)
Accounts payable and accrued liabilities	1,151,477	(43,530)
	(6,763,766)	(2,069,379)
Cash flows used in investing activities		
Additions of property, plant and equipment, net of disposal	(1,875,023)	(17,821)
	(1,875,023)	(17,821)
Cash flows provided by financing activities		
Proceeds from issuance of convertible debentures, net	5,895,000	-
Principal payments of lease liabilities	(94,337)	(23,209)
Advances from related party	28,712	2,069,130
Proceeds from construction loan, net of fees	2,114,323	-
Note payable	800,000	-
	8,743,698	2,045,921
Increase (decrease) in cash and cash equivalents	104,909	(41,279)
Cash and cash equivalents, beginning of year	176,518	377,856
Cash and cash equivalents, end of period	281,427	336,577

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

CANNCURE INVESTMENTS INC.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)

(Unaudited)

1. NATURE OF OPERATIONS

CannCure Investments Inc. was incorporated pursuant to the provisions of the Ontario Business Corporations Act on June 5, 2018. CannCure Investments Inc., together with its subsidiaries, Cannabis Cures Investments LLC created on December 22, 2017 and 3 Boys Farm, LLC incorporated on May 4, 1981 in the State of Florida, are referred to in these interim condensed consolidated financial statements as the Company.

The Company obtained its Florida medical cannabis license in 2018 and began growing cannabis during 2018. Sales commenced during 2019 in both the dispensary locations and through home deliveries.

On February 20, 2020, the Company and Goldstream Minerals Inc. (“Goldstream”) have entered into the Combination Agreement which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of Goldstream by the Company (the “Proposed Transaction”). The Resulting Issuer from the Proposed Transaction will carry on the business of the Company as a U.S. multi-state cannabis company. Under the terms of the Combination Agreement the Proposed Transaction will be completed by way of a three-cornered amalgamation involving a wholly-owned subsidiary of the Company amalgamating with the Company to form a single, wholly-owned subsidiary of the Resulting Issuer. As a condition to the Proposed Transaction, the Company will de-list from NEX board of the TSX Venture Exchange and the Resulting Issuer will apply to list its common shares on the Canadian Securities Exchange.

2. BASIS OF PRESENTATION, MEASUREMENT AND CONSOLIDATION

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies, determination of significant estimates and judgments, and corresponding accounting treatments consistent with the audited financial statements of the Company for the year ended December 31, 2019, which were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB. These unaudited interim condensed consolidated financial statements do not contain all the information and disclosures required for annual financial statements and should be read in conjunction with the Company’s audited financial statements as at and for the year ended December 31, 2019.

These interim condensed consolidated financial statements were approved and authorized for issue by the Company’s board of directors (the “Board”) on June 5, 2020.

These interim condensed consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments and biological assets that are measured at fair value as described herein.

The interim condensed consolidated financial statements include the accounts of CannCure Investments Inc. and its subsidiaries, Cannabis Cures Investments LLC, 3 Boys Farm, LLC and Farm Fresh Holdings, LLC. Control is achieved when we have the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities, are exposed to, or have rights to, variable returns from our involvement with the entity and have the ability to affect those returns through our power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Profit and loss or other comprehensive income (loss) of subsidiaries acquired during the period are recognized from the date of acquisition or effective date of disposal as applicable. Significant intercompany accounts and transactions have been eliminated on consolidation

CANNCURE INVESTMENTS INC.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)
(Unaudited)

2. BASIS OF PRESENTATION, MEASUREMENT AND CONSOLIDATION *(Continued)*

The Company has the following subsidiaries:

Name of Entity	% Ownership	Accounting Method
Cannabis Cures Investments LLC	100%	Consolidation
3 Boys Farm, LLC	100%	Consolidation
Farm Fresh Holdings, LLC	100%	Consolidation

When the proportion of the equity (deficiency) held by non-controlling interest changes, the Company adjusts the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interest in the subsidiary. The Company recognizes directly in equity (deficiency) any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received and attribute it to the members of the Company.

Going Concern assumption

These interim condensed consolidated financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at March 31, 2020, the Company has a deficit of \$31,457,643 (December 31, 2019: \$23,973,957). For the three months ended March 31, 2020, the Company had losses of \$7,483,686 (March 31, 2019: \$591,581). The Company has used debt and equity financing from both related and unrelated sources to supplement its operations and will continue to be reliant on additional debt and/or equity financing in order to fully develop its business plan.

Although the Company has been successful in raising funds to date, there can be no assurance that adequate or sufficient funding will be available in the future or available under terms acceptable to the Company, or that the Company will be able to generate sufficient returns from operations.

The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on the Company generating revenue and debt and/or equity financing sufficient to fund its cash flow needs. These circumstances indicate the existence of material uncertainty that casts significant doubt on the ability of the Company to meet its business plan and its obligations as they come due, and accordingly the appropriateness of the use of the accounting principles applicable to a going concern.

These interim condensed consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate for these interim condensed consolidated financial statements, then adjustments would be necessary in the carrying value of the assets and liabilities, the reported expenses and the classifications used in the statement of financial position. Such differences in amounts could be material.

Functional and Presentation Currency

The Company's functional currency, as determined by management, is the United States ("U.S.") dollar. These consolidated financial statements are presented in U.S. dollars.

Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

CANNCURE INVESTMENTS INC.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)
(Unaudited)

2. BASIS OF PRESENTATION, MEASUREMENT AND CONSOLIDATION *(Continued)*

Use of estimates and judgments (continued)

On March 12, 2020, the World Health Organization declared the outbreak of Coronavirus (“COVID-19”) a pandemic. There is significant uncertainty regarding the extent and duration of the impact that the COVID-19 pandemic will have on Company’s operations. The extent to which the impacts of COVID-19 pandemic affects the judgments and estimates described in the Company’s 2019 Consolidated Financial Statements and depend on future developments, which are highly uncertain and cannot be predicted. Management will continue to monitor and assess the impact of the pandemic on its judgments, estimates, accounting policies and amounts recognized in these interim condensed consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Beginning on January 1, 2020, the Company adopted certain International Financial Reporting Standards (“IFRS”) and amendments. As required by IAS 34 Interim Financial Reporting and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the nature and the effect of these changes are disclosed below:

Conceptual Framework

Beginning January 1, 2020, the Company adopted the revised Conceptual Framework for Financial Reporting (“revised conceptual framework”). The revised conceptual framework does not constitute a substantial revision from the previously effective guidance, but does provide additional guidance on topics not previously covered such as presentation and disclosure. The adoption of the revised conceptual framework did not have a material impact on the consolidated financial statements.

Definition of a Business

Beginning January 1, 2020, the Company adopted the IASB amendment regarding the definition of a business under IFRS 3 Business Combinations. This amendment narrowed and clarified the definition of a business, as well as permitted a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. The adoption of the amendment to IFRS 3 did not have a material impact on the consolidated financial statements.

4. INVENTORIES

The Company’s inventories include the following at March 31, 2020 and December 31, 2019:

	March 31, 2020	December 31, 2019
	\$	\$
Raw material	593,126	590,726
Work in process	4,118,479	4,335,355
Finished goods	1,823,838	769,704
Total inventories	6,535,443	5,695,785

Direct materials expensed as cost of goods sold during the period ended March 31, 2020 was \$416,803 (2018 - \$nil). There was no inventory impairment taken during the periods ended March 31, 2020 and 2019.

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5. BIOLOGICAL ASSETS

Biological assets consist of cannabis plants. For the period ended March 31, 2020 and year ended December 31, 2019, the changes in the carrying value of biological assets are shown below:

	March 31, 2020	December 31, 2019
	\$	\$
Biological assets, beginning balance	768,206	723,516
Acquisition of 3 Boys Farms, LLC	-	-
Changes in fair value less costs to sell due to biological transformation	1,229,613	4,775,209
Transferred to inventory upon harvest	(1,265,393)	(4,730,519)
Biological assets, ending balance	732,426	768,206

The Company values its biological assets at the end of each reporting period at fair value less costs to sell and complete. This is determined using a valuation model to estimate the expected harvest yield per plant applied to the estimated price per gram less processing and selling costs. This model also considers the progress in the plant life cycle. Management has made the following estimates in this valuation model:

- a. The average number of weeks in the growing cycle is 20 weeks from propagation to harvest;
- b. The average harvest yield of whole flower is 106 grams per plant;
- c. The average selling price of whole flower is \$6.98 per gram;
- d. Processing costs include drying and curing, testing and packaging, and post-harvest overhead allocation, estimated to be \$0.69 per gram; and
- e. Selling costs include shipping, order fulfillment, and labelling, estimated to be \$1.14 per gram.

The estimates of selling price, growing cycle, harvest yield, and costs per gram are based on the Company's historical results. Management has quantified the sensitivity of the inputs, and determined the following:

- a. Selling price per gram - a decrease in the selling price per gram by 5% would result in the biological asset value decreasing by \$73,243 (December 31, 2019 - 50,925).
- b. Harvest yield per plant - a decrease in the harvest yield per plant of 5% would result in the biological asset value decreasing by \$36,621 (December 31, 2019 - 38,911).
- c. Average days to grow – an increase in the average days to grow by 5% would result in the biological asset value decreasing by \$8,876 (December 31, 2019 - 37,857).
- d. Processing costs per gram – an increase in the cost per gram by 5% would result in the biological asset value decreasing by \$11,200 (December 31, 2019 - 4,312).

These inputs are level 3 on the fair value hierarchy, and are subject to volatility and several uncontrollable factors, which could significantly affect the fair value of biological assets in future periods. As of March 31, 2020, the biological assets were on average, 48% (December 31, 2019 - 50%) complete based on the number of days remaining to harvest, and the estimated fair value less costs to sell of dry cannabis was \$732,426 (December 31, 2019 -\$768,206). As of March 31, 2020, it is expected that the Company's biological assets will ultimately yield approximately 606,418 grams of cannabis (December 31, 2019: 561,588 grams).

6. PREPAID ROYALTY

Prepaid royalty represents a \$1,000,000 upfront payment of royalty under a License Agreement dated September 4, 2019 which was subsequently amended and restated as of December 23, 2019. The period end balance reflects the 4% interest per annum borne by the advance and will be offset against future royalty expense in accordance with the License Agreement.

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6. PREPAID ROYALTY *(Continued)*

The current portion of \$200,000 is based on management's expected royalty expense within the fiscal year ending December 31, 2020. The prepaid royalty of \$1,000,000 was paid by SOL Global Investments Corp. ("SOL") on behalf of the Company.

7. DEPOSITS

Deposits were paid in relation to property leases entered into for multiple dispensary locations. No impairment was noted as at March 31, 2020.

8. INVESTMENTS

Investments include equity investments in private companies. The Company invested in a private company on April 29, 2019 for 11.71 Class B Units, valued at \$42,697 per Class B unit. The Company's interest in the entity is 0.83%.

On December 22, 2019, the Company also purchased 13.33% membership interest in a private limited liability company for \$100,000.

As at March 31, 2020, there were no profit or loss recorded from the private investment.

9. PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2020 and December 31, 2019, property, plant and equipment consist of:

	Construction in progress \$	Land \$	Buildings and improvements \$	Furniture and fixtures \$	Computer equipment and software \$	Equipment \$	Vehicles \$	Signs \$	Total \$
Costs									
Opening balance - January 1, 2019	-	227,835	907,590	100,804	27,067	154,282	23,666	-	1,441,244
Acquisition of Verano assets	323,257	400,779	-	-	-	207,428	-	-	931,464
Additions	9,477,173	95,602	10,000	24,032	-	165,599	273,743	3,028	10,049,177
At December 31, 2019	9,800,430	724,216	917,590	124,836	27,067	527,309	297,409	3,028	12,421,885
Additions	2,182,734	-	-	-	-	27,109	61,143	4,815	2,275,801
Disposition	-	(400,778)	-	-	-	-	-	-	(400,778)
Ending Balance March 31, 2020	11,983,164	323,438	917,590	124,836	27,067	554,418	358,552	7,843	14,296,908
Accumulated depreciation and impairment									
Opening balance - January 1, 2019	-	-	91,687	12,589	4,792	22,702	3,578	-	135,348
Amortization	-	-	22,815	11,282	5,413	34,079	22,934	303	96,826
At December 31, 2019	-	-	114,502	23,871	10,205	56,781	26,512	303	232,174
Amortization	-	-	5,735	3,121	1,353	13,522	11,714	272	35,717
Ending Balance March 31, 2020	-	-	120,237	26,992	11,558	70,303	38,226	575	267,891
Net carrying value									
As at December 31, 2019	9,800,430	724,216	803,088	100,965	16,862	470,528	270,897	2,725	12,189,711
As at March 31, 2020	11,983,164	323,438	797,353	97,844	15,509	484,115	320,326	7,268	14,029,017

During the three months ended March 31, 2020, the Company capitalized \$78,662 (2019 - \$NIL) of borrowing costs to property, plant and equipment.

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10. RIGHT-OF-USE ASSETS AND LIABILITIES

Right-of-use assets

The Company's leases assets include property leases. Information about leases for which the Company is a lessee is presented below:

	Right-of-use property leases	Total
	\$	\$
Costs		
Balance, as at December 31, 2019	16,812,015	16,812,015
Additions	3,863,317	3,863,317
Balance, as at March 31, 2020	<u>20,675,332</u>	<u>20,675,332</u>
Accumulated depreciation and impairment		
Balance, as at December 31, 2019	652,007	652,007
Depreciation	298,850	298,850
Balance, as at March 31, 2020	<u>950,857</u>	<u>950,857</u>
Net carrying value		
As at December 31, 2019	16,160,008	16,160,008
As at March 31, 2020	19,724,475	19,724,475

Interest expense relating to right-of-use assets for the period ended March 31, 2020 were \$554,300 (March 31, 2019: \$11,933.81).

Lease liabilities

During the period ended March 31, 2020, the Company applied an incremental borrowing rate of 12%. The Company's minimum contractual undiscounted cash flows for lease obligations as at period end is presented below:

Minimum payments under leases		
Within 1 year	\$	2,663,444
2 to 3 years		5,301,103
4 to 5 years		43,642,758
		<u>51,607,306</u>
Effect of discounting		(31,387,528)
Present value of minimum lease payments		<u>20,219,778</u>
Less: current portion		<u>2,663,444</u>
Non-current portion of obligations under leases	\$	<u>17,556,334</u>

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11. GOODWILL AND INTANGIBLE ASSETS

As at March 31, 2020 and December 31, 2019, goodwill and intangible assets consist of:

	Goodwill	License	Total
	\$	\$	\$
Costs			
Opening balance January 1, 2019	757,038	46,450,000	47,207,038
Additions	-	-	-
Ending balance December 31, 2019 and March 31, 2020	757,038	46,450,000	47,207,038
Accumulated amortization and impairment			
Opening Balance, January 1, 2019	-	712,657	712,657
Amortization	-	3,096,667	3,096,667
Ending balance December 31, 2019	-	3,809,324	3,809,324
Amortization	-	774,167	774,167
Ending balance March 31, 2020	-	4,583,491	4,583,491
Net carrying value			
As at December 31, 2019	757,038	42,640,676	43,397,714
As at March 31, 2020	757,038	41,866,509	42,623,547

12. SHAREHOLDERS' EQUITY

Authorized share capital

The Company is authorized to issue an unlimited number of common shares.

Outstanding share capital

As at March 31, 2020 and December 31, 2019, there were no shares issued and outstanding other than common shares.

	Number of shares	Amount
Balance as at January 1, 2019	61,128,398	41,475,947
Issuance of common shares upon debt conversion (1)	13,871,602	19,200,000
Issuance of common shares (2)	3,880,000	5,607,484
Balance as at December 31, 2019	78,880,000	66,283,431
Issuance of common shares at \$1 (3)	10,000,000	10,000,000
Issuance of common shares for service at \$1 (4)	2,397,212	2,397,212
Cancellation of shares (3)	(10,000,000)	(10,000,000)
Balance as at March 31, 2020	81,277,212	68,680,643

- 1) In April 2019, the Company wished to settle the promissory note issued by the Company in favour of SOL in the principal amount of \$19,200,000 (Note 16) and both parties agreed to settle the note by the issuance of 13,871,602 common shares of the Company at a deemed price of \$1.384 per share.

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12. SHAREHOLDERS' EQUITY *(Continued)*

- 2) In July 2019, the Company completed a non-brokered private placement raising gross proceeds of \$15,520,000 through the issuance of 15,520 units at \$1,000 per unit. Each unit consists of: (i) 250 common shares of the Company at a deemed price of \$2.00 per share, (ii) 500 common share purchase warrant exercisable for a period of 24 months after the closing of this private placement at a price of \$1.00 per share and (iii) an unsecured debenture of the Company in the principal amount of \$500. The Company recognized, on a pro rata, basis, the value of common shares, and warrants of \$5,635,737, and \$4,627,612, respectively.
- 3) During the three months ended March 31, 2020, the Company issued 10,000,000 common shares to Northern Emeralds (defined below in note 0) pursuant to a contemplated acquisition of Northern Emeralds. On March 31, 2020, the Northern Emeralds LOI (defined below in note 0) expired, and the issued common shares were returned to treasury and cancelled as part of the termination of the proposed acquisition.
- 4) In March 2020, the company issued 2,397,212 shares at \$1 per share in exchange for various consulting and professional fees.

Share purchase warrants

Each warrant entitles the holder to purchase one common share at a set price, at the option of the holder for a set period of time. The following table sets out information regarding warrants issued by the Company:

	Number of warrants	Weighted average exercise price
Outstanding as at January 1, 2019	-	-
Issued during private placement	7,814,000	1.01
Outstanding as at December 31, 2019	7,814,000	-
Warrants issued to 0% note holders	3,880,000	1.00
Outstanding as at March 31, 2020	11,694,000	

During the year ended December 31, 2019, the Company issued 7,760,000 share purchase warrants with exercise price of \$1.00 per share, expiring in July 2021, as part of a private placement took place in May to July 2019. The Company recorded a warrant reserve of \$4,627,612 attributable to the value of these warrants.

During the year ended December 31, 2019, the Company issued 54,000 finders' share purchase warrants with exercise price of \$2.00 per share, expiring in May 2021, as part of a private placement took place in May to July 2019. Share issuance cost of \$28,252 (2018: Nil) has been recognized as a result of this issuance. The fair value of the Company's finders' warrants was estimated using the Black-Scholes option pricing model using the following assumptions during the year ended December 31, 2019:

Expected volatility	78.68%
Risk-free interest rate	1.53%
Expected life (years)	2
Expected dividend yield	Nil
Forfeiture rate	Nil
Underlying share price	\$0.10

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12. SHAREHOLDERS' EQUITY *(Continued)*

During the three month period ended March 31, 2020, the Company issued 3,880,000 warrants with exercise price of \$1.00 per share expiring in February 2025 to holders of unsecured debentures (Note14) in order to extend the maturity date to February 20, 2023. \$528,876 of financing costs has been recognized as a result of this issuance. The fair value of these was estimated using the Black-Scholes option pricing model using the following assumptions during the period ended March 31, 2020:

Expected volatility	79.46%
Risk-free interest rate	1.32%
Expected life (years)	2
Expected dividend yield	Nil
Forfeiture rate	Nil
Underlying share price	\$0.75

As at March 31, 2020, 13,944,000 warrants were outstanding (December 31, 2019: 7,814,000).

13. COMMITMENTS AND CONTINGENCIES

Commitments

As disclosed in Note 10, the Company adopted IFRS 16 from January 1, 2019 using the modified retrospective approach. Accordingly, as of this date, the commitment has been accounted for a right of use assets and lease liabilities, accordingly.

Contingencies

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. At March 31, 2020 and December 31, 2019, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations. There are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

14. NOTE PAYABLE

On December 11, 2018, the Company issued a promissory note in favour of SOL in the principal amount of \$19,200,000. The note is interest-bearing at 10% per annum, payable on demand with a maturity date of February 28, 2019. The full amount was outstanding as at December 31, 2018. In April 2019, the Company settled the note in full by issuing common shares of the Company.

In July 2019, the Company completed a non-brokered private placement raising gross proceeds of \$7,760,000 through the issuance of 15,520 units at \$1,000 per unit. As part of the transaction, unsecured debentures of the Company in the principal amount of \$7,760,000 were issued. The debentures will mature on the earlier of: (i) the date that is 24 months after the closing date of the related private placement and (ii) the date on which the Company completes, by way of one or more offerings of debts or equity securities of the Company, a capitalization for a minimum gross amount of \$36,000,000. The debentures are unsecured, non-interest bearing and payable in cash or payment in kind in the discretion of the Company. The Company has the right to redeem all or any part of the outstanding debenture prior to the maturity date. The full amount remained outstanding as at December 31, 2019.

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14. NOTE PAYABLE *(Continued)*

The Company accounted for the debenture at amortized cost and recognized \$5,256,651 as the initial carrying value of the note, based on a discount rate of 21.5%. During the three month period ended March 31, 2020, the maturity date of these notes payable extended to February 20, 2023 and the coupon was amended to bear 6% per annum. As at March 31, 2020 the carrying value of the note was \$6,150,716 (December 31, 2019 - \$5,868,945). As at March 31, 2020, the portion of the carrying value of the note payable owed to SOL was \$3,319,481 (December 31, 2019 - \$ 3,165,161).

In January 2020, the Company entered into a short-term loan agreement in the principal amount of \$1,250,000, bearing an interest of 15% per annum. The loan was secured by liens on the Stuart and the Ruskin property and a personal guarantee by the CEO. The Company incurred \$350,000 in commitment fees and interest related to the borrowing, which matured on March 13, 2020. The company repaid \$800,000 in February 2020 with the remaining \$800,000 was paid in April 2020.

15. CONVERTIBLE DEBENTURE

On March 31, 2020, the Company issued convertible debentures in the aggregate principal amount of \$16,711,000, maturing March 31, 2022 and bearing an annual interest rate of 12.5% with interest being payable on December 31 of each year. The debentures and accrued interest can be converted at the option of the holder into units consisting of one common share and one warrant at a conversion price that is the lesser of: (i) \$0.90; and (ii) the price of the company's shares on the exchange, less a discount equal to the lesser of: (A) 20%; and (B) the maximum allowable discount permitted by the exchange (the "Conversion Price"). Each warrant shall be exercisable for 2 years, into one common share at a price that is the greater of: (i) \$1.00; and (ii) the price of the company's shares on the exchange; and (iii) 110% of the Conversion Price.

The Company initially recognized \$8,738,629 as the fair value of debentures, and \$7,792,370 was initially recognized in derivative liability with respect to the value of the conversion feature. The fair value of the conversion feature was estimated using the Black-Scholes option pricing model using the following assumptions at initial recognition on March 31, 2020:

Expected volatility	80.34%
Risk-free interest rate	0.62%
Expected life (years)	2
Expected dividend yield	Nil
Underlying unit price	\$1.01

As at March 31, 2020, the portion of the carrying value of the convertible debenture owed to SOL was \$5,509,557 (December 31, 2019 - \$nil).

16. CONSTRUCTION LOAN

On February 12, 2020 the Company secured a \$15,000,000 ("Loan Amount") construction loan from Advanced Flower Capital ("ACP") to fund the construction of an 88,000 square foot indoor cultivation, processing, and lab facility in Indiantown, Florida.

The construction loan consists of a five-year \$15,000,000 loan, with year one interest only on the amount outstanding, future advances not to exceed \$20,000,000 in total, and an interest rate of 13.5%. The construction loan is secured by a mortgage and other commercially-common security interests and instruments, in accordance with the general security agreement. The company also issued warrants to ACP as part of the agreement (Note 12).

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16. CONSTRUCTION LOAN *(Continued)*

As of March 31, 2020, the company has drawn \$3,000,000 against this facility (December 31, 2019: \$Nil) and has initially recognized \$2,114,323 as the fair value of the debt. During the three months ended March 31, 2020, \$78,662 (March 31, 2019: Nil) in interest and accretion was capitalized as part of the construction in progress asset.

The company has agreed to issue warrants in the amount of fifteen percent of the Loan Amount with a share amount based on the ten-day volume weighted average price immediately following the completion of the Proposed Transaction with a strike price based on the same. The company has recognized a derivative liability of \$936,033 (March 31, 2019:

Nil) as a result of this agreement. The fair value of these was estimated using the Black-Scholes option pricing model using the following assumptions at initial recognition and at period end on March 31, 2020:

Expected volatility	75.41%
Risk-free interest rate	1.21%
Expected life (years)	5
Expected dividend yield	Nil
Forfeiture rate	Nil
Underlying share price	\$0.75

Starting March 1, 2020 interest accrued in each month is payable on the first day of the following month. In addition to the interest payment, starting Feb 1, 2021, the Company will make monthly principal payments of \$25,000 until the maturity date of Feb 18, 2025, when all outstanding principal, plus all accrued and unpaid interest will become payable.

In connection with the loan, the Company is required to comply with certain financial covenants. As March 31, 2020, the Company was in compliance with these covenants.

17. RELATED PARTY TRANSACTIONS

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

Amounts due to related party consisted of:

	March 31, 2020	December 31, 2019
	\$	\$
Advances to (from) SOL Global Investments Corp.	(3,985,691)	(14,633,915)
Note receivable <i>(i)</i>	9,772,397	9,913,333
Other receivable <i>(ii)</i>	1,420,000	1,420,000
Due from (to) SOL Global Investments Corp.	7,206,706	(3,300,582)

These balances were unsecured, interest bearing at 8%, with no set terms of repayment. During the three months ended March 31, 2020, \$186,712 (March 31, 2019: Nil) in interest was charged by SOL to the Company.

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17. RELATED PARTY TRANSACTIONS *(Continued)*

Included in this balance are the following:

i. Note receivable

During the year ended December 31, 2019, SOL assigned to the Company the right to receive proceeds from the repayment of an unsecured \$10,000,000 ("Note") from a party that is arm's length to SOL. Interest of 4% per annum accrued from November 29, 2019 ("Effective Date") and have the following payment terms:

1. One Hundred Twenty Thousand Dollars (\$120,000) within seven (7) days of the effective date;
2. One Hundred Twenty Thousand Dollars (\$120,000) per month commencing on February 15, 2020 and continuing on the fifteenth day of each month thereafter until June 15, 2020;
3. One Hundred Sixty Thousand Dollars (\$160,000) per month commencing on July 15, 2020 and continuing on the fifteenth day of each month thereafter until this Note is fully paid; and
4. In addition, on June 15, 2020, One Million Six Hundred Thousand Dollar (\$1,600,000)

One year from the Effective Date of this Note (the "Maturity Date"), all amounts of unpaid principal and accrued but unpaid interest then outstanding hereunder shall be due and payable. As at March 31, 2020, 9,772,397 (December 31, 2019: \$9,913,333) remains outstanding.

ii. ECD advance

During the year ended December 31, 2019, SOL assigned to the Company the right to receive \$1,420,000 pursuant to an unsecured advance to ECD, Inc ("Northern Emeralds") by SOL. On May 16, 2019, the Company entered into a binding letter of intent (the "Northern Emeralds LOI") to acquire either all the assets or all the issued and outstanding shares of Northern Emeralds. Subsequent to the year end, the Northern Emeralds LOI expired in accordance with its terms. The unsecured advance, which was assigned from SOL, is unsecured, non-interest bearing with no set terms of repayment.

The carrying value of other amounts owed to SOL included the following:

	March 31, 2020	December 31, 2019
	\$	\$
Note payable <i>(note 14)</i>	(3,319,481)	(3,165,161)
Convertible debenture <i>(note 15)</i>	(5,509,557)	-
	(8,829,038)	(3,165,161)

Key management includes the Company's directors and members of the executive management team. Total compensation of key management personnel and directors was approximately \$190,341 for the three months ended March 31, 2020 (March 31, 2019: \$Nil).

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18. CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for members and benefits for other members. The Company considers the items included in shareholders' equity of \$42,442,614 as capital, as at March 31, 2020. The Company manages the capital structure and makes adjustments in response to changes in economic conditions, the requirements of the financial covenants (See note 16), and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the Company's business and to ensure that it meets financial covenants attached to the interest-bearing loans that define capital structure requirements. Breaches in meeting the financial covenants would permit the lender to immediately call loans. There have been no breaches of the financial covenants of the interest-bearing loan in the current period. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, advances to related party, accounts payable and accrued liabilities, advances from related party, note payable, convertible debenture and construction loan. The carrying values approximate their fair values due to the relatively short periods to maturity of the financial instruments.

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs to fair value measurements. The three levels of hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The classification of financial instruments at their carrying and fair values are as follows:

Financial assets

	March 31, 2020			
	FVTPL	FVOCI	AC	Total
Financial assets	\$	\$	\$	\$
Cash and cash equivalents	281,427	-	-	281,427
Advances to related party	7,206,706	-	-	7,206,706
	7,488,133	-	-	7,488,133
	December 31, 2019			
	FVTPL	FVOCI	AC	Total
Financial assets	\$	\$	\$	\$
Cash and cash equivalents	176,518	-	-	176,518
	176,518	-	-	176,518

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19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT *(Continued)*

Financial liabilities

	March 31, 2020		
	FVTPL	AC	Total
Financial liabilities	\$	\$	\$
Accounts payable and accrued	-	5,234,257	5,234,257
Note payable	-	6,950,716	6,950,716
Convertible debenture	-	8,738,629	8,738,629
Construction loan	-	2,138,615	2,138,615
Derivative liability	8,728,404	-	8,728,404
	8,728,404	23,062,217	31,790,621

	December 31, 2019		
	FVTPL	AC	Total
Financial liabilities	\$	\$	\$
Accounts payable and accrued	-	4,082,780	4,082,780
Advances from related party	-	3,300,582	3,300,582
Note payable	-	5,868,945	5,868,945
	-	13,252,307	13,252,307

There have been no transfers between fair value levels during the three-month period ended March 31, 2020 and the year ended December 31, 2019.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The members mitigate these risks by assessing, monitoring and approving the Company's risk management processes:

a. Credit Risk

Credit risk is the risk of a potential loss to the Company if one party of a financial instrument fails to meet its contractual obligations. The maximum credit exposures at March 31, 2020 and December 31, 2019 are the carrying amount of cash and cash equivalents. To reduce credit risk, all significant cash balances are placed with major, reputable, U.S. financial institutions.

b. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities. The Company manages liquidity risk through the effective management of its capital structure. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity at all times to settle obligations and liabilities when due. The Company has the following contractual obligations:

CANNCURE INVESTMENTS INC.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

(Expressed in United States dollars)
(Unaudited)

19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT *(Continued)*

	Less than 1 Year \$	1 to 3 years \$	3 to 5 years \$	Greater than 5 years \$	Total \$
Accounts payable and accrued liabilities	5,234,257	-	-	-	5,234,257
Note payable	800,000	6,150,716	-	-	6,950,716
Convertible debenture		8,738,629	-	-	8,738,629
Construction loan	50,000	2,088,615	-	-	2,138,615
March 31, 2020	6,084,257	16,977,960	-	-	23,062,217

	Less than 1 Year \$	1 to 3 years \$	3 to 5 years \$	Greater than 5 years \$	Total \$
Accounts payable and accrued liabilities	4,082,780	-	-	-	4,082,780
Advances from related party	3,300,582	-	-	-	3,300,582
Note payable	-	5,868,945	-	-	5,868,945
December 31, 2019	7,383,362	5,868,945	-	-	13,252,307

c. Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. See Note 5 for the Company's assessment of certain changes in the fair value assumption used in the calculation of biological asset values.

d. Interest rate risk

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Due to the fixed interest rate on the advances to related party, short term loan and construction loan, its exposure to interest rate risk is nominal.

20. SUBSEQUENT EVENTS

On April 17, 2020, the Company's construction loan was amended and restated to, among other things, provide for an additional advance of \$5,000,000 (the "Bridge Loan") that had not otherwise been contemplated under the original disbursement schedule of the Construction Loan. The Bridge Loan bears an interest rate of 19.0% per annum and matures on the earliest of: (i) December 31, 2020, (ii) the sale of the Company's Ruskin facility, and (iii) the occurrence of an event of default (as set out in the amended and restated construction loan agreement). The lender is not obligated to advance and disburse any further amounts under the construction loan until the Bridge Loan has been repaid in full.

CannCure Investments Inc.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5,
2018 (DATE OF INCORPORATION) TO DECEMBER 31, 2018**

(Expressed in United States Dollars)

CannCure Investments Inc.

For the year ended December 31, 2019 and period from June 5, 2018 (Date of Incorporation) to December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of CannCure Investments Inc.

Opinion

We have audited the consolidated financial statements of CannCure Investments Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2019 and 2018 and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the year ended December 31, 2019 and period from June 5, 2018 (date of incorporation) to December 31, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2019 and period from June 5, 2018 (date of incorporation) to December 31, 2018 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company has experienced losses and negative operating cash flows for the year ended December 31, 2019 and for the period from June 5, 2018 (date of incorporation) to December 31, 2018. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

(Continues)



Independent Auditor's Report to the Shareholders and Board of Directors of CannCure Investments Inc.

(Continued)

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

(Continues)



Independent Auditor's Report to the Shareholders and Board of Directors of CannCure Investments Inc.

(Continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

(Continues)



Independent Auditor's Report to the Shareholders and Board of Directors of CannCure Investments Inc.

(Continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Sohail Raza.

/s/ SRCO Professional Corporation

Richmond Hill, Ontario, Canada
June 5, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario

CANNCURE INVESTMENTS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018 AND 2019
(Expressed in United States dollars)

As at	NOTE	December 31, 2019	December 31, 2018
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		176,518	377,856
Inventories	4	5,695,785	1,829,979
Biological assets	5	768,206	723,516
Prepaid royalty	6	200,000	-
Prepaid expenses		202,564	70,105
		7,043,073	3,001,456
Prepaid royalty	6	800,000	-
Deposits	7	1,512,811	-
Investments	8	600,000	-
Property, plant and equipment	9	12,189,711	1,305,896
Right-of-use assets	10	16,160,008	-
Intangible assets	11,12	42,640,676	45,737,343
Goodwill	11,12	757,038	757,038
		81,703,317	50,801,733
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		4,082,780	583,997
Advances from related party	18	3,300,582	670,000
Contingent consideration	12	-	545,243
Note payable	16	5,868,945	19,200,000
Advance subscription	17	5,000,000	-
Current portion of lease liabilities	10	2,145,221	-
		20,397,528	20,999,240
Lease liabilities	10	14,305,577	-
		34,703,105	20,999,240
Shareholders' equity			
Share capital	14	66,283,431	41,475,947
Contributed surplus	14	4,690,738	34,874
Deficit		(23,973,957)	(11,708,328)
		47,000,212	29,802,493
		81,703,317	50,801,733

The accompanying notes are an integral part of these consolidated financial statements.

Going Concern (Note 2), Commitments and contingencies (Note 15), Subsequent Events (Note 21)

CANNCURE INVESTMENTS INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE
OF INCORPORATION) TO DECEMBER 31, 2018

(Expressed in United States dollars)

	Note	December 31, 2019	December 31, 2018
		\$	\$
Revenue		801,874	-
Cost of sales			
Cost of inventory sold		(670,558)	-
Production salaries and wages		(2,092,954)	-
Production supplies and expense		(1,635,404)	-
Revenues less cost of sales before fair value adjustments		(3,597,042)	-
Fair value adjustment on inventories		(322,207)	328,261
Fair value adjustment on growth of biological assets	4	4,775,209	1,014,667
Revenue less cost of sales and fair value adjustments		855,960	1,342,928
Expenses:			
Amortization and depreciation	9,10,11	3,748,787	735,171
Finance expense		2,463,855	68,718
Foreign exchange loss		-	10,540
Gain on change in fair value of contingent consideration		(545,243)	-
General and administrative		5,025,274	93,421
Insurance		369,050	-
Salaries and wages		-	241,092
Transaction costs		529,194	10,254,000
Production supplies and expense		-	163,308
Professional fees	18	1,513,096	1,485,006
		13,104,013	13,051,256
Loss from operations before income taxes		(12,248,053)	(11,708,328)
Income tax expense - current	13	-	-
Income tax recovery - deferred	13	-	-
Net loss and comprehensive loss		(12,248,053)	(11,708,328)
Loss attributable to:			
Owners of the Company		(12,248,053)	(11,560,944)
Non-controlling interests		-	(147,384)
Comprehensive loss		(12,248,053)	(11,708,328)
Net loss per share - Basic and diluted			
Basic and diluted		\$ (0.17)	\$ (0.32)
Weighted average shares outstanding		72,590,163	36,611,130

The accompanying notes are an integral part of these consolidated financial statements.

CANNCURE INVESTMENTS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE OF INCORPORATION) TO
DECEMBER 31, 2018

(Expressed in United States dollars)

	Number of Shares	Common Shares \$	Contributed Surplus \$	Deficit \$	Total \$	Non Controlling Interest \$	Total \$
Balance, June 5, 2018	1	-	-	-	-	-	-
Share cancelled	(1)	-	-	-	-	-	-
Issuance of common shares, net (Note 14)	57,603,398	41,052,947	-	-	41,052,947	-	41,052,947
Share issues pursuant to the exercise of warrants (Note 14)	3,525,000	423,000	-	-	423,000	-	423,000
Acquisition of subsidiary (Note 12)	-	-	34,874	-	34,874	19,200,000	19,234,874
Net loss for the period	-	-	-	(11,560,944)	(11,560,944)	(148,438)	(11,709,382)
Acquisition of additional interest in a subsidiary (Note 12)	-	-	-	(147,384)	(147,384)	(19,051,562)	(19,198,946)
Balance, December 31, 2018	61,128,398	41,475,947	34,874	(11,708,328)	29,802,493	-	29,802,493
Impact of change in accounting policy	-	-	-	(17,576)	(17,576)	-	(17,576)
Adjusted balance, January 1, 2019	61,128,398	41,475,947	34,874	(11,725,904)	29,784,917	-	29,784,917
Issuance of units, net (Note 14)	17,751,602	24,835,736	4,627,612	-	29,463,348	-	29,463,348
Issuance of finders' warrants	-	(28,252)	28,252	-	-	-	-
Net loss for the year	-	-	-	(12,248,053)	(12,248,053)	-	(12,248,053)
Balance, December 31, 2019	78,880,000	66,283,431	4,690,738	(23,973,957)	47,000,212	-	47,000,212

The accompanying notes are an integral part of these consolidated financial statements.

CANNCURE INVESTMENTS INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE
OF INCORPORATION) TO DECEMBER 31, 2018

(Expressed in United States dollars)

	December 31, 2019	December 31, 2018
	\$	\$
Cash flows used in operating activities		
Net loss and comprehensive loss	(12,248,053)	(11,708,328)
Adjustments for items not affecting cash:		
Accretion and accrued interest	-	67,723
Amortization and depreciation	3,748,787	735,171
Gain on fair value change in contingent consideration	(545,243)	-
Increase in fair value of inventories	322,207	(328,261)
Increase in fair value due to growth of biological assets	(4,775,209)	(1,014,667)
Change in non-cash working capital		
Inventories	(4,188,013)	-
Biological assets	4,730,519	-
Prepaid expenses	(132,459)	(31,105)
Deposits paid	(1,512,811)	-
Prepaid royalty	(1,000,000)	-
Accounts payable and accrued liabilities	3,498,783	330,683
	(12,101,492)	(11,948,784)
Cash flows used in investing activities		
Acquisition of subsidiaries	-	(28,800,000)
Acquisition of non-controlling interest	-	(19,200,000)
Cash aquired as part of acquisition	-	82,671
Additions of property, plant and equipment	(10,980,642)	(55,978)
Investments	(600,000)	-
	(11,580,642)	(47,973,307)
Cash flows provided by financing activities		
Proceeds from issuance of common shares, net	7,760,000	41,052,947
Proceeds from exercise of warrants	-	423,000
Principal payments of lease liabilities	(282,080)	-
Advance subscription	5,000,000	-
Advances from related party	2,630,582	(376,000)
Note payable	8,372,294	19,200,000
	23,480,796	60,299,947
(Decrease) increase in cash and cash equivalents	(201,338)	377,856
Cash and cash equivalents, beginning of year	377,856	-
Cash and cash equivalents, end of year	176,518	377,856
Non-cash activity:		
Share issued in exchange of promissory note payable	\$ 19,200,000	-

The accompanying notes are an integral part of these consolidated financial statements.

CANNCURE INVESTMENTS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE OF
INCORPORATION) TO DECEMBER 31, 2018

(Expressed in United States dollars)

1. NATURE OF OPERATIONS

CannCure Investments Inc. was incorporated pursuant to the provisions of the Ontario Business Corporations Act on June 5, 2018. CannCure Investments Inc., together with its subsidiaries, Cannabis Cures Investments LLC created on December 22, 2017 and 3 Boys Farm, LLC incorporated on May 4, 1981 in the State of Florida, are referred to in these consolidated financial statements as the Company.

The Company obtained its Florida medical cannabis license in 2018 and began growing cannabis during 2018. Sales commenced during 2019 in both the dispensary locations and through home deliveries.

2. BASIS OF PRESENTATION, MEASUREMENT AND CONSOLIDATION

The consolidated financial statements for the year ended December 31, 2019 and period from June 5, 2018 (date of incorporation) to December 31, 2018 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee (“IFRIC”) in effect for the year ended December 31, 2019 and period from June 5, 2018 (date of incorporation) to December 31, 2018.

These consolidated audited financial statements for the year ended December 31, 2019 and period from June 5, 2018 (date of incorporation) to December 31, 2018 (collectively referred to as the “consolidated financial statements”) were approved and authorized for issue by the Board of Directors of the Company on June 5, 2020.

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments and biological assets that are measured at fair value as described herein.

The consolidated financial statements include the accounts of CannCure Investments Inc. and its subsidiaries, Cannabis Cures Investments LLC, 3 Boys Farm, LLC and Farm Fresh Holdings, LLC. Control is achieved when we have the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities, are exposed to, or have rights to, variable returns from our involvement with the entity and have the ability to affect those returns through our power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Profit and loss or other comprehensive income (loss) of subsidiaries acquired during the period are recognized from the date of acquisition or effective date of disposal as applicable. Significant intercompany accounts and transactions have been eliminated on consolidation

The Company has the following subsidiaries:

Name of Entity	% Ownership	Accounting Method
Cannabis Cures Investments LLC	100%	Consolidation
3 Boys Farm, LLC	100%	Consolidation
Farm Fresh Holdings, LLC	100%	Consolidation

When the proportion of the equity (deficiency) held by non-controlling interest changes, the Company adjusts the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interest in the subsidiary. The Company recognizes directly in equity (deficiency) any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received and attribute it to the members of the Company

CANNCURE INVESTMENTS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE OF
INCORPORATION) TO DECEMBER 31, 2018

(Expressed in United States dollars)

2. BASIS OF PRESENTATION, MEASUREMENT AND CONSOLIDATION *(Continued)*

Going Concern assumption

These consolidated financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at December 31, 2019, the Company had a deficit of \$23,973,957 (2018: \$11,708,328). For the year ended December 31, 2019, the Company had losses of \$12,248,053 (2018: \$11,708,328). The Company has used debt and equity financing from both related and unrelated sources to supplement its operations and will continue to be reliant on additional debt and/or equity financing in order to fully develop its business plan.

Although the Company has been successful in raising funds to date, there can be no assurance that adequate or sufficient funding will be available in the future or available under terms acceptable to the Company, or that the Company will be able to generate sufficient returns from operations.

The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on the Company generating revenue and debt and/or equity financing sufficient to fund its cash flow needs.

These circumstances indicate the existence of material uncertainty that casts significant doubt on the ability of the Company to meet its business plan and its obligations as they come due, and accordingly the appropriateness of the use of the accounting principles applicable to a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate for these consolidated financial statements, then adjustments would be necessary in the carrying value of the assets and liabilities, the reported expenses and the classifications used in the statement of financial position. Such differences in amounts could be material.

Functional and Presentation Currency

The Company's functional currency, as determined by management, is the United States ("U.S.") dollar. These consolidated financial statements are presented in U.S. dollars.

3. SIGNIFICANT ACCOUNTING POLICIES

a. IFRS 1-First Time Adoption of International Financial Reporting Standard

The consolidated financial position as of December 31, 2019 and 2018 and the related consolidated statements of loss and comprehensive loss and changes in shareholder's equity, and cash flows for the year ended December 31, 2019 and for the period from June 5, 2018 (date of incorporation) to December 31, 2018, are the first consolidated financial statements of the Company which are presented in accordance with IFRS. As such, the Company makes an explicit and unreserved statement of compliance with IFRS. On date of transition to IFRS as of June 5, 2018, the Company has stated its consolidated statement of financial position under IFRS. As a result, the entity has recognized all assets and liabilities required by IFRS; derecognized all assets and liabilities not permitted by IFRS; classified all assets, liabilities and components of equity in accordance with IFRS; and measured all assets and liabilities in accordance with IFRS.

b. Cash and cash equivalents

Cash and cash equivalents include cash deposits in financial institutions, other deposits that are readily convertible into cash, with original maturities of three months or less, and cash held at retail locations.

CANNCURE INVESTMENTS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE OF
INCORPORATION) TO DECEMBER 31, 2018
(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

c. Inventories

Inventories consisting of finished goods, work-in-process and raw materials are initially valued at the weighted average cost and subsequently measured at the lower of cost and net realizable value. Inventories of harvested cannabis are transferred from biological assets at their fair value less costs to sell and complete at harvest which becomes the deemed cost. Any subsequent post-harvest costs are capitalized to inventory to the extent that the cost is less than net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the weighted average cost basis. Products for resale and supplies and consumables are valued at lower of cost and net realizable value. The Company reviews inventory for obsolete, redundant and slow-moving goods and any such inventories are written down to net realizable value.

d. Biological Assets

The Company's biological assets consist of cannabis plants. The Company capitalizes all the direct and indirect costs as incurred related to the biological transformation of the biological assets between the point of initial recognition and the point of harvest including labor related costs, materials, utilities, facilities costs, quality and testing costs, and production related depreciation. The Company then measures the biological assets at fair value less cost to sell up to the point of harvest, which becomes the basis for the cost of finished goods inventories after harvest. Cost to sell includes post-harvest production and fulfillment costs. The net unrealized gains or losses arising from changes in fair value less cost to sell during the year are included in the consolidated statements of loss and comprehensive loss of the related reporting periods.

e. Property, plant and Equipment

Property, plant and equipment are stated at cost less any accumulated depreciation and impairment losses, if any. Expenditures that materially increase the life of the assets are capitalized. Ordinary repairs and maintenance are expensed as incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the depreciable asset using the following terms and methods:

Land	Not Depreciated
Construction in progress	Not Depreciated
Buildings and Improvements	40 Years
Furniture and Fixtures	10 Years
Computer Equipment and Software	5 Years
Equipment	5 Years
Signs	5 Years
Vehicles	7 Years

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate. An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in operations in the year the asset is derecognized.

CANNCURE INVESTMENTS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND PERIOD FROM JUNE 5, 2018 (DATE OF
INCORPORATION) TO DECEMBER 31, 2018
(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

f. Income Taxes

Income taxes are comprised of current and deferred tax. Income tax is recognized in the statements of loss and comprehensive loss except to the extent that it relates to items recognized directly in shareholders' equity, in which case the income tax is also recognized directly in shareholders' equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the reporting period, and any adjustments to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using the tax rates and laws that have been enacted or substantively enacted at the statements of financial position dates and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable the assets can be recovered.

Deferred income tax assets and liabilities are presented as non-current. As at December 31, 2019 and December 31, 2018, the Company has no deferred income tax assets or liabilities.

g. Revenue Recognition

Revenue is recognized by the Company in accordance with IFRS 15, *Revenue from Contracts with Customers*. Through application of the standard, the Company recognizes revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

In order to recognize revenue under IFRS 15, the Company applies the following five (5) steps:

- Identify a customer along with a corresponding contract;
- Identify the performance obligation(s) in the contract to transfer goods or provide distinct services to a customer;
- Determine the transaction price the Company expects to be entitled to in exchange for transferring promised goods or services to a customer;
- Allocate the transaction price to the performance obligation(s) in the contract; and
- Recognize revenue when or as the Company satisfies the performance obligation(s).

Under IFRS 15, revenues from the sale of cannabis are generally recognized at a point in time when control over the goods have been transferred to the customer. Payment are only done with cash typically which is due upon transferring the goods to the customer. Revenue is recognized upon the satisfaction of the performance obligation. The Company satisfies its performance obligation and transfers control upon delivery and acceptance by the customer.

h. Financial Instruments (Also see Note 20)

Financial Assets

Recognition and Initial Measurement

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h. Financial Instruments *(Also see Note 20) (Continued)*

Financial Assets (Continued)

Classification and Subsequent Measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”). The Company determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets are classified as follows:

- **Amortized cost** - Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss. Financial assets measured at amortized cost would comprise of trade receivables. However, the Company does not hold any financial assets measured at amortized cost.
- **Fair value through other comprehensive income** - Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss. The Company does not hold any financial assets measured at fair value through other comprehensive income.
- **Fair value through profit or loss** - Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets’ carrying amount are recognized in profit or loss. Financial assets mandatorily or designated to be measured at fair value through profit or loss are comprised of cash and cash equivalents.

Impairment

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

Derecognition of Financial Assets

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h. Financial Instruments (Also see Note 20) *(Continued)*

Financial Liabilities

Recognition and Initial Measurement

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss. Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount.

Classification and subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

Derecognition of financial liabilities

The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

The Company has classified its financial instruments as follows:

Cash and cash equivalents	FVTPL
Accounts payable and accrued liabilities	Amortized costs
Advances from related party	Amortized costs
Note payable	Amortized costs

(i) Provisions and Contingent Liabilities

Provisions, where applicable, are recognized in other liabilities when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material. The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. As at December 31, 2019 and 2018, there were no such contracts.

(j) Foreign Currency

Monetary assets and liabilities denominated in currencies other than functional currencies are translated into functional currencies at the rate of exchange in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at the historical rates. Revenues and expenses are translated at the transaction date exchange rate. Foreign currency gains and losses resulting from translation are reflected in net loss and comprehensive loss for the period. There were no foreign transactions during the period from June 5, 2018 (date of incorporation) to December 31, 2018 and the year ended December 31, 2019.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(k) Goodwill

The Company measures goodwill as the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets and liabilities assumed, all measured as at the acquisition date. Goodwill is allocated to the Cash Generating Units (“CGU” or “CGUs”) which are expected to benefit from the synergies of the combination. CGUs have been grouped for purposes of impairment testing. Impairment losses recognized in respect of a CGU, being the excess over the CGUs carrying value allocated to the assets in the CGU, are first allocated to the carrying value of goodwill and indefinite life intangibles and any excess is allocated to the carrying amount of assets in the CGU. Impairment testing is performed annually by the Company. Management makes estimates during impairment testing as judgment is required to determine indicators of impairment and estimates are used to measure impairment losses. The recoverable amount of goodwill is determined by using discounted future cash flows, which incorporates assumptions regarding future events, growth rates and discount rates.

(l) Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Amortization of definite life intangibles is provided on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any, over the following terms:

Licenses	15 years
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(m) Impairment of Non-Financial Assets

The carrying amount of the Company’s non-financial assets is reviewed at each financial reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. An impairment loss is recognized when the carrying amount of an asset or its CGU exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of its fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

(n) Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Significant judgments, estimates, and assumptions that have the most significant effect on the amounts recognized in the consolidated financial statements are described below.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(n) Significant Accounting Judgments, Estimates and Assumptions (Continued)

(i) Business combination

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses and is accounted for using the acquisition method. The total consideration paid for the acquisition is the aggregate of the fair values of assets acquired, liabilities assumed, and equity instruments issued in exchange for control of the acquiree at the acquisition date. The acquisition date is the date when the Company obtains control of the acquiree. The identifiable assets acquired and liabilities assumed are recognized at their acquisition date fair values, except for deferred taxes and share-based payment awards, where IFRS provides exceptions to recording the amounts at fair value.

Goodwill represents the difference between total consideration paid and the fair value of the net identifiable assets acquired. Acquisition costs incurred are expensed to total expenses. Contingent consideration is measured at its acquisition date fair value and is included as part of the consideration transferred in a business combination, subject to the applicable terms and conditions.

Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9 with the corresponding gain or loss recognized in net loss.

Based on the facts and circumstances that existed at the acquisition date, management will perform a valuation analysis to allocate the purchase price based on the fair values of the identifiable assets acquired and liabilities assumed on the acquisition date. Management has one year from the acquisition date to confirm and finalize the facts and circumstances that support the finalized fair value analysis and related purchase price allocation. Until such time, these values are provisionally reported and are subject to change. Changes to fair values and allocations are retrospectively adjusted in subsequent periods.

In determining the fair value of all identifiable assets acquired and liabilities assumed, the most significant estimates generally relate to contingent consideration and intangible assets. Management exercises judgment in estimating the probability and timing of when earn-outs are expected to be achieved, which is used as the basis for estimating fair value. Identified intangible assets are fair valued using appropriate valuation techniques which are generally based on a forecast of the total expected future net cash flows of the acquiree. Valuations are highly dependent on the inputs used and assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

(ii) Inventories

The net realizable value of inventories represents the estimated selling price for inventories in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale. The determination of net realizable value requires significant judgment, including consideration of factors such as shrinkage, the aging of and future demand for inventory, expected future selling price the Company expects to realize by selling the inventory, and the contractual arrangements with customers. Reserves for excess and obsolete inventory are based upon quantities on hand, projected volumes from demand forecasts and net realizable value. The estimates are judgmental in nature and are made at a point in time, using available information, expected business plans, and expected market conditions. As a result, the actual amount received on sale could differ from the estimated value of inventory. Periodic reviews are performed on the inventory balance. The impact of changes in inventory reserves is reflected in cost of goods sold.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(n) Significant Accounting Judgments, Estimates and Assumptions (Continued)

(iii) Biological Assets

Management is required to make estimates in calculating the fair value of biological assets and harvested cannabis inventory. These estimates include a number of assumptions, such as estimating the stages of growth of the cannabis, harvested costs, sales price and expected yields.

(iv) Estimated Useful Lives and Depreciation of Property, Plant and Equipment

Depreciation of property, plant and equipment is dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(v) Valuation of deferred tax assets and liabilities

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Because the Company is in a loss position, it has not recognized the value of any deferred tax assets in its consolidated statement of financial position.

(vi) Going concern risk assessment

The assessment of the Company's ability to continue as a going concern, meet its liabilities for the ensuing year, involves significant judgment based on expectation of future events that are believed to be reasonable under the circumstances.

(vii) Consolidation

The Company uses judgment in determining the entities that it controls and accordingly consolidates. An entity is controlled when the Company has power over an entity, exposure or rights to variable returns from its involvement with the entity, and is able to use its power over the entity to affect its return from the entity. The Company has power over an entity when it has existing rights that give it the current ability to direct the relevant activities, which are the activities that significantly affect the investee's returns

(viii) Estimated Useful Lives, Impairment Considerations and Amortization of Capital and Intangible Assets

Amortization of capital and intangible assets is dependent upon estimates of useful lives based on management's judgment. Goodwill and indefinite life intangible asset impairment testing require management to make estimates in the impairment testing model. On an annual basis, the Company tests whether goodwill and indefinite life intangible assets are impaired. Impairment of definite long-lived assets is influenced by judgment in defining a CGU and determining the indicators of impairment, and estimates used to measure impairment losses. The recoverable value of goodwill, indefinite and definite long-lived assets is determined using discounted future cash flow models, which incorporate assumptions regarding future events, specifically future cash flows, growth rates and discount rates.

(o) Earnings per Share

Basic earnings per share will be calculated and disclosed once the related capital subscription agreements have been finalized. Basic earnings per share is calculated by dividing: the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares; by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(p) Warrants

When the Company issues units comprising common shares and warrants, the Company follows the relative fair value method of accounting for warrants attached to and issued with common shares of the Company. Under this method, the fair value of the common shares is estimated and the fair value of the warrants issued is estimated using an option pricing model. The fair value is then prorated to the total of the net proceeds received on issuance of the common shares and the warrants.

Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date. The statement of comprehensive income reflects the Company's share of the results of operations of the associate.

Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes, when applicable, in the statement of changes in shareholders' equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Company's share of profit or loss of an associate is shown on the face of the statement of loss and comprehensive loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture. After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associates and its carrying value, and then recognizes the loss within 'Share of loss from investment' in the consolidated statement of loss and comprehensive loss.

(q) Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Company's investment in its associates are accounted for using the equity method.

(r) Adoption of New and Revised Standards and Interpretations

The Company has not yet applied the following new standard, interpretations and amendments to standards that have been issued as at December 2019 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

i. IFRS 3 Business combinations

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Under the new standard the Company expects a more likely probability that future transactions will be accounted for as asset acquisitions.

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3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(s) Adoption of New and Revised Standards and Interpretations

The following IFRS standards have been recently issued by the IASB. The Company is assessing the impact of these new standards on future consolidated financial statements. Pronouncements that are not applicable or where it has been determined do not have a significant impact to the Company have been excluded herein.

(i) *IFRS 7, Financial Instruments: Disclosure*

IFRS 7, *Financial instruments: Disclosure*, was amended to require additional disclosures on transition from IAS 39 to IFRS 9. IFRS 7 amendments are effective on adoption of IFRS 9, which is effective for annual periods commencing on or after January 1, 2018. There was no significant impact on the Company's consolidated financial statements as a result of this adoption.

(ii) *IFRS 9, Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments*, which reflects all phases of the financial instruments project and replaces IAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. There was no significant impact on the Company's consolidated financial statements as a result of this adoption.

(iii) *IFRS 15, Revenue from Contracts with Customers*

The IASB replaced IAS 18, *Revenue*, in its entirety with IFRS 15, *Revenue from Contracts with Customers*. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. There was no significant impact on the Company's consolidated financial statements as a result of this adoption.

(iv) *IFRS 16, Leases*

In January 2016, the IASB issued IFRS 16, *Leases*, which will replace IAS 17, *Leases*. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard will be effective for annual periods beginning on or after January 1, 2019. The Company applied the standard from its mandatory adoption date of January 1, 2019 using the modified retrospective method with the cumulative effect of initially recognizing the standard as an adjustment to retained earnings at the date of initial application, and without restatement of prior periods' reported figures. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption.

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4. INVENTORIES

The Company's inventories include the following at December 31, 2019 and 2018:

	December 31, 2019	December 31, 2018
	\$	\$
Raw material	590,726	234,087
Work in process	4,335,355	1,069,537
Finished goods	769,704	526,355
Total inventories	5,695,785	1,829,979

Direct materials expensed as cost of goods sold during the year ended December 31, 2019 was \$670,558 (2018 - \$nil). As there were no direct materials expensed as cost of goods sold during the period from June 5, 2018 (date of incorporation) to December 31, 2018, all production salaries and wages and production supplies and expense were charged as expenses. There was no inventory write down taken during the years ended December 31, 2019 and 2018.

5. BIOLOGICAL ASSETS

Biological assets consist of cannabis plants. For the years ended December 31, 2019 and 2018, the changes in the carrying value of biological assets are shown below:

	December 31, 2019	December 31, 2018
	\$	\$
Biological assets, beginning balance	723,516	-
Acquisition of 3 Boys Farms, LLC	-	1,161,855
Changes in fair value less costs to sell due to biological transformation	4,775,209	1,014,667
Transferred to inventory upon harvest	(4,730,519)	(1,453,006)
Biological assets, ending balance	768,206	723,516

The Company values its biological assets at the end of each reporting period at fair value less costs to sell and complete. This is determined using a valuation model to estimate the expected harvest yield per plant applied to the estimated price per gram less processing and selling costs. This model also considers the progress in the plant life cycle. Management has made the following estimates in this valuation model:

- a. The average number of weeks in the growing cycle is 20 weeks from propagation to harvest;
- b. The average harvest yield of whole flower is 104 grams per plant;
- c. The average selling price of whole flower is \$6.98 per gram;
- d. Processing costs include drying and curing, testing and packaging, and post-harvest overhead allocation, estimated to be \$0.52 per gram; and
- e. Selling costs include shipping, order fulfillment, and labelling, estimated to be \$1.14 per gram.

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5. BIOLOGICAL ASSETS *(Continued)*

The estimates of selling price, growing cycle, harvest yield, and costs per gram are based on the Company's historical results. Management has quantified the sensitivity of the inputs, and determined the following:

- a. Selling price per gram - a decrease in the selling price per gram by 5% would result in the biological asset value decreasing by \$50,925 (2018 - \$48,040).
- b. Harvest yield per plant - a decrease in the harvest yield per plant of 5% would result in the biological asset value decreasing by \$38,911 (2018 - \$36,176).
- c. Average days to grow – an increase in the average days to grow by 5% would result in the biological asset value decreasing by \$37,857 (2018 – \$1,027).
- d. Processing costs per gram – an increase in the cost per gram by 5% would result in the biological asset value decreasing by \$4,312 (2018 - \$1).

These inputs are level 3 on the fair value hierarchy, and are subject to volatility and several uncontrollable factors, which could significantly affect the fair value of biological assets in future periods. As of December 31, 2019, the biological assets were on average, 50% complete based on the number of days remaining to harvest, and the estimated fair value less costs to sell of dry cannabis was \$768,206 (As of December 31, 2018, the biological assets were on average, 83% complete based on the number of days remaining to harvest, and the estimated fair value less costs to sell of dry cannabis was \$723,516). As of December 31, 2019, it is expected that the Company's biological assets will ultimately yield approximately 561,588.82 grams of cannabis (2018: 113,817 grams).

6. PREPAID ROYALTY

Prepaid royalty represents a \$1,000,000 upfront payment of royalty under a License Agreement dated September 4, 2019 which was subsequently amended and restated as of December 23, 2019. The advance bears an interest at 4% per annum and will be offset against future royalty expense in accordance with the License Agreement. The current portion of \$200,000 is based on management's expected royalty expense for the next fiscal year. The prepaid royalty of \$1,000,000 was paid by SOL Global Investments Corp. (the parent company) on behalf of the Company.

7. DEPOSITS

Deposits were paid in relation to property leases entered into for multiple dispensary locations. No impairment was noted as at December 31, 2019.

8. INVESTMENTS

Investments include equity investments in private companies. The Company invested in a private company on April 29, 2019 for 11.71 Class B Units, valued at \$42,697 per Class B unit. The Company's interest in the entity is 0.83%.

On December 22, 2019, the Company also purchased 13.33% membership interest in a private limited liability company for \$100,000.

As at December 31, 2019, there were no profit or loss recorded from the private investment.

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9. PROPERTY, PLANT AND EQUIPMENT

As at December 31, 2019 and 2018, property, plant and equipment consist of:

	Construction in progress	Buildings and Land improvements	Furniture and fixtures	Computer equipment and software	Equipment	Vehicles	Signs	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Costs								
Opening balance - June 5, 2018	-	-	-	-	-	-	-	-
Acquisition of 3 Boys Farms, LLC	-	227,835	907,590	98,249	27,067	100,859	23,666	1,385,266
Additions	-	-	-	2,555	53,423	-	-	55,978
Ending balance December 31, 2018	-	227,835	907,590	100,804	27,067	154,282	23,666	1,441,244
Acquisition of Verano assets	323,257	400,779	-	-	207,428	-	-	931,464
Additions	9,477,173	95,602	10,000	24,032	165,599	273,743	3,028	10,049,177
Ending Balance December 31, 2019	9,800,430	724,216	917,590	124,836	27,067	527,309	297,409	12,421,885
Accumulated depreciation and impairment								
Opening balance - June 5, 2018	-	-	-	-	-	-	-	-
Acquisition of 3 Boys Farms, LLC	-	-	76,515	10,506	3,999	18,945	2,986	112,951
Amortization	-	-	15,172	2,083	793	3,757	592	22,397
Ending Balance December 31, 2018	-	-	91,687	12,589	4,792	22,702	3,578	135,348
Amortization	-	-	22,815	11,282	5,413	34,079	22,934	303
Ending Balance December 31, 2019	-	-	114,502	23,871	10,205	56,781	26,512	232,174
Net carrying value								
As at December 31, 2018	-	227,835	815,903	88,215	22,275	131,580	20,088	1,305,896
As at December 31, 2019	9,800,430	724,216	803,088	100,965	16,862	470,528	270,897	12,189,711

10. RIGHT-OF-USE ASSETS AND LIABILITIES

Right-of-use assets

The Company's leases assets include property leases. Information about leases for which the Company is a lessee is presented below:

	Right-of-use property leases	Total
	\$	\$
Costs		
Recognised as at January 1, 2019	483,559	483,559
Additions	16,328,456	16,328,456
Ending balance December 31, 2019	16,812,015	16,812,015
Accumulated depreciation and impairment		
Recognised as at January 1, 2019	96,712	96,712
Depreciation	555,295	555,295
Ending balance December 31, 2019	652,007	652,007
Net carrying value		
As at December 31, 2018	-	-
As at December 31, 2019	16,160,008	16,160,008

Interest expense relating to right-of-use assets for the year ended December 31, 2019 were \$886,658.

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10. RIGHT-OF-USE ASSETS AND LIABILITIES *(Continued)*

Lease liabilities

During the year ended December 31, 2019, the Company applied an incremental borrowing rate of 12%. The Company's minimum contractual undiscounted cash flows for lease obligations as at December 31, 2019 is presented below:

Minimum payments under leases	
Within 1 year	\$ 2,145,221
2 to 3 years	4,296,533
4 to 5 years	37,245,657
	<u>43,687,411</u>
Effect of discounting	(27,236,613)
Present value of minimum lease payments	16,450,798
Less: current portion	2,145,221
Non-current portion of obligations under leases	<u>\$ 14,305,577</u>

11. GOODWILL AND INTANGIBLE ASSETS

As at December 31, 2019 and 2018, goodwill and intangible assets consist of:

	Goodwill	License	Total
	\$	\$	\$
Costs			
Opening balance - June 5, 2018	-	-	-
Acquisition of 3 Boys Farms, LLC	757,038	46,450,000	47,207,038
Additions	-	-	-
Ending balance December 31, 2018	757,038	46,450,000	47,207,038
Additions	-	-	-
Ending balance December 31, 2019	757,038	46,450,000	47,207,038
Accumulated amortization and impairment			
Opening balance - June 5, 2018	-	-	-
Amortization	-	712,657	712,657
Ending Balance December 31, 2018	-	712,657	712,657
Amortization	-	3,096,667	3,096,667
Ending balance December 31, 2019	-	3,809,324	3,809,324
Net carrying value			
As at December 31, 2018	757,038	45,737,343	46,494,381
As at December 31, 2019	757,038	42,640,676	43,397,714

Impairment of Goodwill

For the purposes of annual impairment testing, goodwill is allocated to the 3 Boys CGU.

Annual impairment testing involves determining the recoverable amount of the CGU to which goodwill is allocated and comparing this to the carrying value of the CGU. The measurement of the recoverable amount of the CGU was calculated based on fair value less costs to sell. Where there was no market information available, fair value was determined by discounting the future cash flows generated from the continuing use of the groups. On December 31, 2019, the Company completed an impairment analysis and determined no impairment of goodwill was required on its 3 Boys CGU.

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12. BUSINESS ACQUISITIONS

On October 9, 2018, the Company entered into a sale and purchase agreement to purchase 60% of the outstanding membership interests of 3 Boys Farm, LLC (“3 Boys”) at a consideration of \$28,800,000 (the “First Closing”). The Company acquired the remaining 40% membership interests in 3 Boys on December 7, 2018 (the “Second Closing”) 3 Boys Farm, LLC is a limited liability company that operates a sustainably designed and operated, certified organic hydroponic farm located in west central Florida in the town of Ruskin.

In addition to the cash consideration paid, the Company also granted the sellers of 3 Boys an option to convert up to \$2,000,000 of the cash consideration due upon the second closing in shares of the Company upon it being of a publicly trade entity with which the Company would engage in a reverse take-over transaction, should such an entity be identified by the Second Closing (the “RTO option”). If the sellers elect to receive the option, the cash consideration at the second closing would be reduced by the amount of the election up to \$2,000,000. Further, the sellers of 3 Boys would receive 40% of any proceeds upon a sale of 3 Boys by the Company within 180 days of the closing date in excess of \$53,000,000. The Company had recognized a contingent consideration in the amount of \$545,243 for this right to additional proceeds.

The fair value of identifiable assets and liabilities of 3 Boy Farm, LLC as at the date of acquisition were as follows:

Cash and cash equivalents	82,671
Biological assets	1,161,855
Inventory	48,712
Prepaid expenses	39,000
Property, plant and equipment	1,272,432
License	46,450,000
Accounts payable and accrued liabilities	(253,314)
Due to related parties	(1,046,000)
Goodwill	757,038
Total identifiable net assets at fair value	48,512,394

Satisfied by:

Cash paid at the First Closing	28,800,000
Fair value of cash due at Second Closing	19,132,277
Option for shares	34,874
Contingent consideration	545,243
Total Consideration Paid	48,512,394

Second Closing

On December 7, 2018, the Company acquired the remaining 40% interest of 3 Boys Farm, LLC at a cash consideration of \$19,200,000. Upon completion of the transaction, 3 Boys Farm, LLC became a wholly-owned subsidiary of the Company. The RTO option expired unexercised.

Carrying amount of non-controlling interests acquired	(147,384)
Increase in Deficit	(147,384)

The Company recognized net loss of \$8,222,032 related to the operations of 3 Boys Farm, LLC during the year ended December 31, 2019 (\$133,424 from the acquisition date of October 9, 2018 to December 31, 2018).

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13. INCOME TAXES

As the Company operates in the cannabis industry, it is subject to the limits of IRC Section 280E under which the Company is only allowed to deduct expenses directly related to the cost of goods sold. This results in permanent book/tax differences for ordinary and necessary business expenses deemed non-allowable under IRC Section 280E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income or loss.

The Company is subject to tax in Canada and the United States of America. During the year ended December 31, 2019, the highest statutory rate in these jurisdictions was 26.5% and 21% respectively (2018 – 26.5% and 21% respectively).

The Company's provision for (recovery of) income taxes differs from the amounts obtained by applying the rates to the Company's net loss before income taxes as follows:

	December 31, 2019	December 31, 2018
	\$	\$
Net loss before income taxes	(12,248,053)	(11,708,328)
Expected income tax recovery at statutory rate - 26.5%	(3,245,734)	(3,102,707)
Impact of foreign income tax rate	520,323	639,018
Non-deductible items and other adjustments	1,345,810	2,425,667
Taxable benefit not recognized	1,379,602	38,021
Total income tax expense (recovery)	-	-

The Company's income tax expense (recovery) is allocated as follows:

	December 31, 2019	December 31, 2018
	\$	\$
Current income tax expense	-	-
Deferred tax expense (recovery)	-	-
	-	-

Deferred tax

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset. A deferred tax asset is recognized for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Therefore, a deferred tax assets have not been recognized.

Unrecognized deferred tax assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

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13. INCOME TAXES *(Continued)*

	December 31, 2019	December 31, 2018
	\$	\$
Non-capital losses carried forward - Canada	738,724	23,800
Non-capital losses carried forward - US	923,772	-
Share issuance costs	23,816	31,754
Benefits not recognized	1,686,312	55,554

The Company has US non-capital loss carry forwards of approximately \$4,398,914 (2018: \$nil) which can be used to reduce taxable income of future years, expiring in 2039.

The Canadian non-capital loss carryforward of approximately \$2,787,638. \$89,810 expires in 2038, with the balance expiring in 2039.

The benefits from the non-capital loss carryforward balances has not been recorded in the consolidated financial statements.

14. SHAREHOLDERS' EQUITY

Authorized share capital

The Company is authorized to issue an unlimited number of common shares.

Outstanding share capital

As at December 31, 2019 and 2018, there were no shares issued and outstanding other than common shares.

	Number of shares	Amount
Balance, June 5, 2018	1	-
Share cancelled	(1)	-
Issuance of common shares at \$0.12 (1)	17,516,667	2,102,000
Issuance of common shares at \$0.66 (2)	2,899,997	1,913,998
Issuance of common shares at \$1.00 (3)	37,186,734	37,186,734
Less share issuance cost	-	(149,785)
Exercise of warrants (4)	3,525,000	423,000
Balance as at December 31, 2018	61,128,398	41,475,947
Issuance of common shares upon debt conversion (5)	13,871,602	19,200,000
Issuance of common shares (6)	3,880,000	5,607,484
Balance as at December 31, 2019	78,880,000	66,283,431

- 1) In July 2018, the Company completed a financing through the issuance of 13,991,667 common shares valued at \$0.12 per share for gross proceeds of \$1,679,000. The Company also issued 3,525,000 units at \$0.12 per unit for gross proceeds of \$423,000. Each unit consists of one common share and one common share purchase warrant exercisable for a period of 36 months from the date of the warrants are issued at \$0.12 per share. The Company has raised in aggregate of \$2,102,000 proceeds from the \$0.12 round.

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14. SHAREHOLDERS' EQUITY *(Continued)*

- 2) In July 2018, the Company issued 2,899,997 common shares valued at \$0.66 per share for gross proceeds of \$1,913,998.
- 3) In September and October 2018, the Company issued 30,556,990 and 6,629,744 common shares respectively valued at \$1.00 per share for gross proceeds of \$29,586,145 and \$7,600,589 respectively for a total of \$37,186,734.
- 4) During the period from June 5, 2018 (date of incorporation) to December 31, 2018, 3,525,000 warrants were exercised into common shares for total proceeds of \$423,000.
- 5) In April 2019, the Company wished to settle the promissory note issued by the Company in favour of SOL Global Investments Corp. in the principal amount of \$19,200,000 (Note 16) and both parties agreed to settle the note by the issuance of 13,871,602 common shares of the Company at a deemed price of \$1.384 per share.
- 6) In July 2019, the Company completed a non-brokered private placement raising gross proceeds of \$15,520,000 through the issuance of 15,520 units at \$1,000 per unit. Each unit consists of: (i) 250 common shares of the Company at a deemed price of \$2.00 per share, (ii) 500 common share purchase warrant exercisable for a period of 24 months after the closing of this private placement at a price of \$1.00 per share and (iii) an unsecured debenture of the Company in the principal amount of \$500. The Company recognized, on a pro rata, basis, the value of common shares, and warrants of \$5,635,737, and \$4,627,612, respectively.

Share purchase warrants

Each warrant entitles the holder to purchase one common share at a set price, at the option of the holder for a set period of time. The following table sets out information regarding warrants issued by the Company:

	Number of warrants	Weighted average exercise price
Outstanding, June 5, 2018	-	-
Issued during private placement	3,525,000	0.12
Exercise of warrants	(3,525,000)	0.12
Outstanding as at December 31, 2018	-	-
Issued during private placement	7,814,000	1.01
Outstanding as at December 31, 2019	7,814,000	-

During the period from June 5, 2018 (date of incorporation) to December 31, 2018, the Company issued 3,525,000 share purchase warrants exercisable at \$0.12 per share, expiring on July 16, 2021, as part of a private placement took place in July 2018.

During the period from June 5, 2018 (date of incorporation) to December 31, 2018, 3,525,000 share purchase warrants with an exercise price of \$0.12 per share were exercised for a cash proceeds of \$423,000.

During the year ended December 31, 2019, the Company issued 7,760,000 share purchase warrants with exercise price of \$1.00 per share, expiring in July 2021, as part of a private placement took place in May to July 2019. The Company recorded a warrant reserve of \$4,627,612 attributable to the value of these warrants.

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14. SHAREHOLDERS' EQUITY *(Continued)*

During the year ended December 31, 2019, the Company issued 54,000 finders' share purchase warrants with exercise price of \$2.00 per share, expiring in May 2021, as part of a private placement took place in May to July 2019. Share issuance cost of \$28,252 (2018: Nil) has been has been recognized as a result of this issuance. The fair value of the Company's finders' warrants was estimated using the Black-Scholes option pricing model using the following assumptions during the year ended December 31, 2019:

Expected volatility (based on historical share prices)	78.68%
Risk-free interest rate	1.53%
Expected life (years)	2
Expected dividend yield	Nil
Forfeiture rate	Nil
Underlying share price	\$0.10

As at December 31, 2019, 7,814,000 warrants were outstanding (December 31, 2018: Nil).

15. COMMITMENTS AND CONTINGENCIES

Commitments

As disclosed in Note 11, the Company adopted IFRS 16 from January 1, 2019 using the modified retrospective approach. Accordingly, as of this date, the commitment has been accounted for a right of use assets and lease liabilities, accordingly.

Contingencies

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. At December 31, 2019 and 2018, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations. There are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

16. NOTE PAYABLE

On December 11, 2018, the Company issued a promissory note in favour of SOL Global Investments Corp. in the principal amount of \$19,200,000. The note is interest-bearing at 10% per annum, payable on demand with a maturity date of February 28, 2019. The full amount was outstanding as at December 31, 2018. In April 2019, the Company settled the note in full by issuing common shares of the Company. See Note 14(5) for details of the settlement.

In July 2019, the Company completed a non-brokered private placement raising gross proceeds of \$7,760,000 through the issuance of 15,520 units at \$1,000 per unit. As part of the transaction, unsecured debentures of the Company in the principal amount of \$7,760,000 were issued. The debentures will mature on the earlier of: (i) the date that is 24 months after the closing date of the related private placement and (ii) the date on which the Company completes, by way of one or more offerings of debts or equity securities of the Company, a capitalization for a minimum gross amount of \$36,000,000. The debentures are unsecured, non-interest bearing and payable in cash or payment in kind in the discretion of the Company. The Company has the right to redeem all or any part of the outstanding debenture prior to the maturity date. The full amount remained outstanding as at December 31, 2019. The Company accounted for the debenture at amortized cost and recognized \$5,256,651 as the initial carrying value of the note, based on a discount rate of 21.5%. As at December 31, 2019, the carrying value of the note was \$5,868,945.

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16. NOTE PAYABLE *(Continued)*

In October 2018, the Company’s parent, SOL Global Investments Inc. (“SOL”), entered into a binding membership interest purchase agreement (“Purchase Agreement”) to sell a 100% interest in 3 Boys Farm LLC (“3 Boys”), to Verano Holdings LLC (“Verano”). Subsequent to this announcement, on April 1, 2019, SOL announced that it had entered into an agreement to terminate the Purchase Agreement with Verano. Prior to the termination, Verano elected to enter into a form of a merger agreement with Harvest Health & Recreation Inc, (“Harvest”) and since Harvest already owned a Florida medical marijuana treatment centre license, the parties negotiated and finalized a termination of the Purchaser Agreement on terms that were agreeable to the Company. As a result of the termination, the SOL and Verano entered into an agreement under which Verano sold certain assets to the Company and/or 3 Boys including eleven qualified and entitled dispensary sites (some of which had been purchased by Verano), a 33 acre parcel of land in Indiantown Florida and processing and manufacturing facility in exchange for a promissory note of \$5,000,000. The promissory note has an interest rate of 10% per annum and is payable 12 months from the date of execution. December 31, 2019, the Company has classified this promissory note as an amount due to related party.

17. ADVANCE SUBSCRIPTION

During the year, the Company received \$5,000,000 in subscription funds to be closed in the future, in relation to the reverse takeover transaction as disclosed in Note 21.

18. RELATED PARTY TRANSACTIONS

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company’s senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

As at December 31, 2019 and 2018, amounts due to related party consisted of:

	December 31, 2019	December 31, 2018
	\$	\$
Due to SOL Global Investment Corp.	3,300,582	670,000

These balances were unsecured, interest bearing at 8%, with no set terms of repayment. During the year \$466,935 in interest was charged by SOL to the Company.

Included in this balance are the following:

Note receivable

During the year ended December 31, 2019, SOL assigned to the Company the right to receive proceeds from the repayment of an unsecured \$10,000,000 (“Note”) from a party that is arm’s length to SOL (“borrower”). Interest of 4% per annum accrued from November 29, 2019 (“Effective Date”) and have the following payment terms:

1. One Hundred Twenty Thousand Dollars (\$120,000) within seven (7) days of the effective date;
2. One Hundred Twenty Thousand Dollars (\$120,000) per month commencing on February 15, 2020 and continuing on the fifteenth day of each month thereafter until June 15, 2020;

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18. RELATED PARTY TRANSACTIONS *(Continued)*

3. One Hundred Sixty Thousand Dollars (\$160,000) per month commencing on July 15, 2020 and continuing on the fifteenth day of each month thereafter until this Note is fully paid; and
4. In addition, on June 15, 2020, One Million Six Hundred Thousand Dollar (\$1,600,000)

One year from the Effective Date of this Note (the "Maturity Date"), all amounts of unpaid principal and accrued but unpaid interest then outstanding hereunder shall be due and payable. As at December 31, 2019, \$9,913,333 remains outstanding.

ECD advance

During the year ended December 31, 2019, SOL assigned to the Company the right to receive \$1,420,000 pursuant to an unsecured advance to ECD, Inc ("Northern Emeralds") by SOL. On May 16, 2019, the Company entered into a binding letter of intent (the "Northern Emeralds LOI") to acquire either all the assets or all the issued and outstanding shares of Northern Emeralds. Subsequent to the year end, the Northern Emeralds LOI expired in accordance with its terms. The unsecured advance, which was assigned from SOL, is unsecured, non-interest bearing with no set terms of repayment.

Key management includes the Company's directors and members of the executive management team. Total compensation of key management personnel and directors was approximately \$905,837 for the year ended December 31, 2019 (\$186,154 for the period from date of incorporation to December 31, 2018).

19. CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for members and benefits for other members. The Company considers the items included in shareholders' equity of \$47,000,212 as capital, as at December 31, 2019. The Company manages the capital structure and makes adjustments in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the Company's business. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts payable and accrued liabilities, advances from related party and note payable. The carrying values approximate their fair values due to the relatively short periods to maturity of the financial instruments.

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs to fair value measurements. The three levels of hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

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20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

The classification of financial instruments at their carrying and fair values are as follows:

Financial assets

	December 31, 2019			Total
	FVTPL	FVOCI	AC	
Financial assets	\$	\$	\$	\$
Cash and cash equivalents	176,518	-	-	176,518
	176,518	-	-	176,518

	December 31, 2018			Total
	FVTPL	FVOCI	AC	
Financial assets	\$	\$	\$	\$
Cash and cash equivalents	377,856	-	-	377,856
	377,856	-	-	377,856

Financial liabilities

	December 31, 2019		
	FVTPL	AC	Total
Financial liabilities	\$	\$	\$
Accounts payable and accrued	-	4,082,779	4,082,779
Advances from related party	-	3,300,582	3,300,582
Note payable	-	5,868,945	5,868,945
	-	13,252,306	13,252,306

	December 31, 2018		
	FVTPL	AC	Total
Financial liabilities	\$	\$	\$
Accounts payable and accrued	-	583,997	583,997
Advances from related party	-	670,000	670,000
Note payable	-	19,200,000	19,200,000
	-	20,453,997	20,453,997

There have been no transfers between fair value levels during the period from June 5, 2018 (date of incorporation) to December 31, 2018 and for the year ended December 31, 2019.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The members mitigate these risks by assessing, monitoring and approving the Company's risk management processes:

a. Credit Risk

Credit risk is the risk of a potential loss to the Company if one party of a financial instrument fails to meet its contractual obligations. The maximum credit exposures at December 31, 2019 and 2018 are the carrying amount of cash and cash equivalents. To reduce credit risk, all significant cash balances are placed with major, reputable, U.S. financial institutions.

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20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT *(Continued)*

b. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities. The Company manages liquidity risk through the effective management of its capital structure. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity at all times to settle obligations and liabilities when due. The Company has the following contractual obligations:

	Less than 1 Year \$	1 to 3 years \$	3 to 5 years \$	Greater than 5 years \$	Total \$
Accounts payable and accrued liabilities	4,082,779	-	-	-	4,082,779
Advances from related party	3,300,582	-	-	-	3,300,582
Note payable	5,868,945	-	-	-	5,868,945
December 31, 2019	13,252,306	-	-	-	13,252,306

	Less than 1 Year \$	1 to 3 years \$	3 to 5 years \$	Greater than 5 years \$	Total \$
Accounts payable and accrued liabilities	583,997	-	-	-	583,997
Advances from related party	670,000	-	-	-	670,000
Note payable	19,200,000	-	-	-	19,200,000
December 31, 2018	20,453,997	-	-	-	20,453,997

c. Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. See Note 5 for the Company's assessment of certain changes in the fair value assumption used in the calculation of biological asset values.

d. Interest rate risk

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Due to the fixed interest rate on the balance to related party, its exposure to interest rate risk is nominal.

21. SUBSEQUENT EVENTS

Construction Loan

On February 12, 2020 the Company secured a USD\$15,000,000 construction loan from Advanced Flower Capital to fund the construction and development of an 88,000 square foot indoor cultivation, processing, and lab facility in Indiantown, Florida.

The construction loan consists of a five-year USD\$15,000,000 loan, with year one interest only on the amount outstanding, future advances not to exceed USD\$20,000,000 in total, and an interest rate of 13.5%. The construction loan is secured by a mortgage and other commercially-common security interests and instruments.

On April 17, 2020, the Construction Loan was amended and restated to, among other things, provide for an additional advance of \$5,000,000 (the "Bridge Loan") that had not otherwise been contemplated under the original disbursement schedule of the Construction Loan.

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21. SUBSEQUENT EVENTS *(Continued)*

Construction Loan *(Continued)*

The Bridge Loan bears an interest rate of 19.0% per annum and matures on the earliest of: (i) December 31, 2020, (ii) the sale of the Company's Ruskin facility, and (iii) the occurrence of an event of default (as set out in the amended and restated construction loan agreement). The lender is not obligated to advance and disburse any further amounts under the construction loan until the Bridge Loan has been repaid in full.

Reverse Takeover Transaction

On February 20, 2020, the Company and Goldstream Minerals Inc. ("Goldstream") have entered into the Combination Agreement which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of Goldstream by the Company (the "Proposed Transaction"). The Resulting Issuer from the Proposed Transaction will carry on the business of the Company as a U.S. multi-state cannabis company. Under the terms of the Combination Agreement the Proposed Transaction will be completed by way of a three-cornered amalgamation involving a wholly-owned subsidiary of the Company amalgamating with the Company to form a single, wholly-owned subsidiary of the Resulting Issuer. As a condition to the Proposed Transaction, the Company will de-list from NEX board of the TSX Venture Exchange and the Resulting Issuer will apply to list its common shares on the Canadian Securities Exchange.

COVID-19

Due to the disruption of the COVID-19 crisis, the Company's business activities might be subject to certain level of impact. To the date of the issuance of these consolidated financial statements, the Company is still assessing the impact on its business, results of operations, financial position and cash flows, which will be accounted for when the reliable estimates will become available.

SCHEDULE D
INTERIM MD&A OF CANNCURE INVESTMENTS INC. FOR THE THREE MONTHS ENDED
MARCH 31, 2020, THE PERIOD FROM JUNE 5, 2018 (DATE OF INCORPORATION) TO
DECEMBER 31, 2018 AND ANNUAL MD&A FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2019

(See attached)

MANAGEMENT'S DISCUSSION AND ANALYSIS

General

The following Management's Discussion and Analysis (the "**MD&A**") of the interim condensed consolidated financial position and results of operations for CannCure Investments Inc. ("CannCure" or the "Company") is for the three months ended March 31, 2020 and 2019. It is supplemental to, and should be read in conjunction with the Company's interim condensed consolidated financial statements and the accompanying notes for the three months ended March 31, 2020 and 2019 (the "**Financial Statements**"). The Financial Statements do not contain all the information and disclosures required for annual financial statements and should be read in conjunction with the Company's audited financial statements as at and for the year ended December 31, 2019. This section may contain forward-looking information that involve numerous risks and uncertainties. The forward-looking information is not historical fact, but rather is based on the Company's current plans, objectives, goals, strategies, estimates, assumptions and projections about its industry, business and future financial results. Actual results could differ materially from those discussed in such forward-looking information. See "Forward-Looking Statements". All dollar figures included therein and in the following MD&A are expressed in United States dollars unless stated otherwise.

The Company's interim condensed consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

Forward-looking statements

Certain statements in this MD&A August constitute "**Forward-Looking Information**" which means disclosure regarding possible events, conditions, acquisitions, or results of operations that is based on assumptions about future conditions and courses of action and include future-oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection, and also includes, but is not limited to, statements with respect to the future financial and operating performance of the Company. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "is expected", "budget", "scheduled", "estimates", "potential", "strategies", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words or phrases, or statements that certain actions, events or results "August", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements included or incorporated by reference in this MD&A include, but are not limited to, statements with respect to: (i) continued development of Company's business; (ii) the Company's growth strategy; (iii) regulatory and related approvals; and (iv) liquidity, working capital, and capital expenditures.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. As a result, actual actions, events or results may differ materially from those described in forward-looking information, and there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended including, without limitation, those referred to in this MD&A under the heading "Risk Factors" and elsewhere. Although forward-looking information contained in this MD&A is based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with the forward-looking information.

Forward-looking information contained herein is as of the date of this MD&A, and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated. Accordingly, readers should not place undue reliance on forward-looking information due to the inherent uncertainty therein.

Material risk factors that could cause actual results to differ materially from the forward-looking information are contained under the heading “Risk Factors”.

Description of Business

CannCure currently operates as a vertically integrated, licensed medical cannabis operator in the State of Florida, where the cultivation, processing and dispensing of cannabis has been legalized for medical uses. The operations of the business of the Issuer currently include cultivating, processing, distributing and retailing high-quality and effective cannabis.

Proposed Transaction

The Company entered into a business combination agreement (the “Combination Agreement”) effective February 20, 2020 with Goldstream Minerals Inc. (“Goldstream”), which sets out the terms and conditions relating to a proposed transaction (the “**Transaction**”) pursuant to which Goldstream will acquire all of the issued and outstanding common shares in the capital of CannCure (the “**CannCure Shares**”). Concurrently with the completion of the Transaction, the parties have agreed that Goldstream shall change its name to a name satisfactory to “Bluma Wellness Inc.” (the “Resulting Issuer”). Following completion of the Transaction, the Goldstream will continue to carry on the business of CannCure. The LOI was entered into as a result of an arm’s length negotiation between the parties.

Under the terms of the Combination Agreement, the Proposed Transaction will be completed by way of a three-cornered amalgamation involving a wholly-owned subsidiary of Goldstream amalgamating with CannCure to form a single, wholly-owned subsidiary of the Resulting Issuer. In connection with the Proposed Transaction, Goldstream will reconstitute its board of directors and management team and change its name to “Bluma Wellness Inc.” or such other similar name as may be accepted by the relevant regulatory authorities (the “**Name Change**”) and the Resulting Issuer will conduct its business under the new name.

As a condition to the Proposed Transaction, Goldstream will de-list from the NEX board of the TSX Venture Exchange (“**TSXV**”) and the Resulting Issuer will apply to list its common shares on the Canadian Securities Exchange (the “**CSE**”). The Proposed Transaction cannot be completed while Goldstream is listed on the NEX board of the TSXV. Accordingly, an application will be made to voluntarily delist its common shares from the NEX board of the TSXV and to list the common shares of the Resulting Issuer on the CSE. The delisting of Goldstream’s common shares from the NEX board of the TSXV and the listing of the Resulting Issuer shares on the CSE will be subject to all applicable shareholder and regulatory approvals. The parties anticipate that upon the satisfaction of the CSE’s initial listing requirements and approval by the CSE, the common shares of the Resulting Issuer will begin trading on the CSE following the closing of the Proposed Transaction. There is no guarantee that the Resulting Issuer will meet the listing requirements or that the CSE will approve the Resulting Issuer for listing.

The Combination Agreement includes a number of other conditions, including but not limited to:

- the consolidation of Goldstream’s common shares on a 23.3053:1 basis (the “**Consolidation**”), the issuance of post-Consolidation Goldstream common shares to holders of CannCure common shares (the “**CannCure Shares**”) on a 1:1 basis;
- the continuance of Goldstream into the province of British Columbia;
- the entering into of lock-up agreements by certain CannCure shareholders, officers and directors;
- CannCure obtaining a US\$15,000,000 construction loan from an arm’s length third party lender or completing an alternative financing to ensure sufficient funding for operations following closing;
- the approvals of all regulatory bodies having jurisdiction in connection with the Proposed Transaction, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use; and
- other closing conditions customary to transactions of the nature of the Proposed Transaction.

An annual general and special meeting of shareholders of Goldstream was held on April 9, 2020 to consider and approve, among other things, the de-listing of Goldstream from the NEX, the reconstitution of Goldstream's board of directors, the Name Change and the Consolidation.

Pursuant to the terms of the Combination Agreement, and in connection with the Proposed Transaction:

1. holders of CannCure Shares will receive one (1) fully paid and non-assessable post-Consolidation Resulting Issuer share for each CannCure Share held; and
2. all outstanding warrants, convertible debentures and other securities to purchase CannCure Shares will be exchanged on an equivalent basis for warrants, convertible debentures and other such securities to purchase common shares of the Resulting Issuer.

Operational Highlights

The Company, through its wholly-owned subsidiary, 3 Boys Farm, LLC (d/b/a One Plant Florida) ("One Plant Florida"), conducts licensed operations to cultivate, process and dispense medical cannabis in the State of Florida in accordance with Florida state law. One Plant Florida is one of the original 14 vertically-integrated and licensed MMTCs in Florida that operate from "seed to sale" pursuant to Florida Statutes section 381.986. One Plant Florida's MMTC license was originally granted on July 31, 2017.

One Plant Florida's operations began at the eight acre farm at the Ruskin Facility, which received OMMU approval to begin cultivating medical cannabis on January 2, 2018. One Plant Florida has a fully operational, GMP and GAP-certified greenhouse cultivation facility at the Ruskin Facility that has a total canopy size of approximately 24,000 square feet, as well as harvest and post-harvesting cure facilities. Monthly output from the Ruskin Facility is approximately 325 pounds of cannabis flower per month. One Plant Florida began renovations at the Ruskin Facility on April 1, 2019 in order to: (i) install full air conditioning systems for the greenhouses; (ii) install clean walls to divide each 6,000 square foot greenhouse room into two separate 3,000 square foot greenhouse rooms; (iii) install new lighting and electrical upgrades; (iv) install a new well; and (v) construct a temperature and humidity-controlled cure and processing room. All such renovations and upgrades to the Ruskin Facility were subsequently completed.

The Company, through its wholly-owned subsidiary, 3 Boys Farm, LLC (d/b/a One Plant Florida) owns and operates the Indiantown Facility, another cultivation, processing and manufacturing facility located on a thirty-three (33) acre parcel of land in Indiantown, Florida. On March 29, 2019, One Plant Florida received OMMU approval to process medical cannabis at the Indiantown Facility and began operating a 2,500 square foot processing, extraction and distillation laboratory to create THC and low-THC distillates and oils, as well as cannabis flower (sold in varying sizes from one-eighth of an ounce to full ounce) and pre-rolled cannabis flower joints (0.5 gram and 1 gram units, respectively).

One Plant Florida also constructed and received all necessary approvals and authorizations for its 54,000 square foot Nexus Greenhouse facility at the Indiantown Facility, which commenced cultivation operations on April 10, 2020, following receipt of approval from the OMMU. The Greenhouse utilizes modern, state-of-the-art agricultural technology combined with a high-yield growing approach to produce indoor-style cultivated flower with less demand on energy resources. The Greenhouse was designed to include ten (10) separate cultivation rooms and will employ separate heating and cooling systems for each room, shade control and light deprivation systems, state-of-the-art automation, and irrigation and fertigation systems, all to enhance One Plant Florida's continued production of high-quality cannabis flower. One Plant Florida expects that the Greenhouse will yield a harvest of 9,000 pounds of medical cannabis in 2020 and 14,400 pounds of medical cannabis in 2021.

One Plant Florida intends to expand the Indiantown Facility by constructing a new, state-of-the-art 88,327 square foot indoor facility that will be used for cultivation, processing and manufacturing, and for lab and kitchen operations. The new indoor facility will be located on One Plant Florida's existing Indiantown, Florida property, directly adjacent to the Greenhouse. The expansion of the Indiantown Facility will provide: (i) a tilt wall building for the indoor growing, trimming and curing of medical cannabis; (ii) a kitchen lab for manufacturing edible products;

(iii) a lab for distillate manufacturing; (iv) production, trim and packaging areas; and (v) a shipping and receiving area for distribution to delivery hubs throughout the State of Florida. The total cost of the construction and development of the expansion of the Indiantown Facility is expected to be between \$18 million and \$20 million and will be funded, in part, with the proceeds of the Construction Loan Financing. The indoor facility will include individual flowering rooms, post-harvest processing rooms, advanced curing rooms, and storage and administrative space. One Plant Florida anticipates that the expansion of the Indiantown Facility will be in operation on or before April 1, 2021, subject to the receipt of all required regulatory approvals from the OMMU, as well as the completion of Good Manufacturing Practices certification. Once all facilities at the Indiantown Facility are fully operational, the facility is expected to produce approximately 15,000 pounds of cannabis per year.

In early July 2019, One Plant Florida commenced home deliveries throughout Florida with a fleet of 13 delivery vehicles. One Plant Florida plans to open a total of 15 retail dispensaries and/or dispensary hubs statewide by March 1, 2021, including its three current retail dispensaries located in Boynton Beach, Florida, Jacksonville Beach, Florida, and St. Petersburg, Florida. One Plant Florida anticipates that the cost of opening such retail dispensaries or dispensary hubs will total approximately \$3,500,000. One Plant Florida opened its first retail location in Boynton Beach, Florida on November 6, 2019, followed by its retail location in Jacksonville Beach, Florida on March 6, 2020, and its retail location in St. Petersburg, Florida on April 17, 2020, and intends to open nine (9) additional retail dispensaries and/or dispensary hubs by November 2020 (subject to the receipt of all required approvals from the OMMU) in the following locations and order: (1) Port St. Lucie, Florida, (2) Ocala, Florida, (3) Fern Park (Orlando), Florida, (4) Avon Park, Florida, (5) Bonita Springs, Florida, (6) Oakland Park, Florida, (7) Pensacola, Florida, (8) Fort Myers, Florida, and (9) Ft. Lauderdale, Florida. All retail dispensaries and dispensary hubs are expected to carry a diversified range of cannabis and cannabis-related products including cannabis flower, pre-rolled cannabis flower joints, distillate products, solventless hash and concentrates, balms, tinctures and other cannabis-related products. One Plant Florida will continue its strategic focus on delivery of medical cannabis through its dispensary hubs and by increasing the number of delivery vans assigned to each location. One Plant Florida expects to provide 24-hour delivery timing throughout the State of Florida by the first quarter of 2021.

Selected Financial Information

Key financial statement items are summarized in the tables below:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
	(\$)	(\$)
Revenue	1,112,380	-
Net loss	(7,483,686)	(591,581)
Net loss per share	\$ (0.09)	\$ (0.01)

	As at March 31, 2020	As at December 31, 2019
	(\$)	(\$)
Total assets	94,453,013	81,703,317
Working capital (deficit)	(2,283,879)	(13,354,455)
Total non-current financial liabilities	34,584,294	14,305,577
Cash dividends declared	Nil	Nil

Results of Operations

Revenue and cost of sales

The following table presents selected financial results related to the Company's revenue and cost of sales:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
	(\$)	(\$)
Revenue	1,112,380	-
Cost of sales	(1,177,203)	-
Revenues less cost of sales before fair value adjustments	(64,823)	-

For the three ended March 31, 2020, all revenues were earned in the State of Florida.

During the period ended March 31, 2020, total revenues increased by \$1,112,380 from the prior year's comparable period. Cost of sales (which include cost of inventory sold, production salaries and wages, and production supplies and expense) increased by \$1,177,203. The increase is attributable to the commencement of cannabis cultivation and sales during the latter half of 2019.

Biological assets

Biological assets consist of cannabis plants. For the three months ended March 31, 2020 and year ended December 31, 2019, the changes in the carrying value of biological assets are shown below:

	For the three months ended March 31, 2020	For the year ended December 31, 2019
	(\$)	(\$)
Biological assets, beginning balance	768,206	723,516
Changes in fair value less costs to sell due to biological transformation	1,229,613	4,775,209
Transferred to inventory upon harvest	(1,265,393)	(4,730,519)
Biological assets, ending balance	732,426	768,206

The Company values its biological assets at the end of each reporting period at fair value less costs to sell and complete. This is determined using a valuation model to estimate the expected harvest yield per plant applied to the estimated price per gram less processing and selling costs. This model also considers the progress in the plant life cycle. Management has made the following estimates in this valuation model:

- The average number of weeks in the growing cycle is 20 weeks from propagation to harvest;
- The average harvest yield of whole flower is 106 grams per plant;
- The average selling price of whole flower is \$6.98 per gram;
- Processing costs include drying and curing, testing and packaging, and post-harvest overhead allocation, estimated to be \$0.69 per gram: and
- Selling costs include shipping, order fulfillment, and labelling, estimated to be \$1.14 per gram.

The estimates of selling price, growing cycle, harvest yield, and costs per gram are based on the Company's historical results. Management has quantified the sensitivity of the inputs, and determined the following:

- Selling price per gram - a decrease in the selling price per gram by 5% would result in the biological asset value decreasing by \$73,243 (December 31, 2019 - 50,925).
- Harvest yield per plant - a decrease in the harvest yield per plant of 5% would result in the biological asset value decreasing by \$36,621 (December 31, 2019 - 38,911).
- Average days to grow – an increase in the average days to grow by 5% would result in the biological asset value decreasing by \$8,876 (December 31, 2019 - 37,857).
- Processing costs per gram – an increase in the cost per gram by 5% would result in the biological asset value decreasing by \$11,200 (December 31, 2019 - 4,312).

These inputs are level 3 on the fair value hierarchy, and are subject to volatility and several uncontrollable factors, which could significantly affect the fair value of biological assets in future periods. As of March 31, 2020, the biological assets were on average, 48% (December 31, 2019 - 50%) complete based on the number of days remaining to harvest, and the estimated fair value less costs to sell of dry cannabis was \$732,426 (December 31, 2019 - \$768,206). As of March 31, 2020, it is expected that the Company's biological assets will ultimately yield approximately 606,418 grams of cannabis (December 31, 2019: 561,588 grams).

Expenses

The following table presents selected financial results related to the Company's expenses:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019	Variance	Variance
	(\$)	(\$)	(\$)	(%)
Amortization and depreciation	1,108,734	814,740	293,994	27%
Professional fees	358,721	322,058	36,663	10%
Transaction costs	1,287,548	-	1,287,548	100%
General and administrative	2,321,316	690,952	1,630,364	70%
Finance expense	1,387,238	15,366	1,371,872	99%

Expenses such as amortization and depreciation, professional fees, general and administrative expenses and finance expense, increased significantly during the period ended March 31, 2020 over the comparative period. The increase is attributable to the commencement of cannabis operations following the acquisition of 3 Boys Farm, LLC in late 2018.

Transaction costs were \$1,287,548 during the period, compared to \$nil in the comparative period. These primarily include the recognition of the warrant derivative liability related to the Construction Loan of \$936,033.

Summary of Quarterly Results

The following table sets forth a comparison of the Company's revenues and earnings on a quarterly basis since incorporation:

	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19
	(\$)	(\$)	(\$)	(\$)
Revenue	1,112,380	650,847	151,027	-
Net loss	7,483,686	4,058,171	4,671,599	2,926,703
Net loss per Share, basic and diluted	0.09	0.05	0.06	0.04

	31-Mar-19	31-Dec-18	30-Sep-18	30-Jun-18
	(\$)	(\$)	(\$)	(\$)
Revenue	-		-	-
Net loss	591,581	8,030,799	3,677,529	-
Net loss per Share, basic and diluted	0.01	0.13	0.16	-

Liquidity and Capital Resources

The Company's total cash balance as at March 31, 2020 was \$281,427. For the three months ended March 31, 2020, cash flows used in operating activities were \$6,763,766 due to the Company's efforts to deploy capital into production of inventory, lease deposits and other working capital items. The Company expects improvements to operating cash flow as sales increase with the number of new retail locations opened.

As at March 31, 2020, the Company's total working capital deficit was \$2,283,879. On February 12, 2020, the Company secured a \$15,000,000 construction loan to fund the construction and development of an indoor cultivation, processing and lab facility in Indiantown, Florida. The construction loan consists of a five-year USD\$15,000,000 loan, with year one interest only on the amount outstanding, future advances not to exceed USD\$20,000,000 in total, and an interest rate of 13.5%. The construction loan is secured by a mortgage and other commercially-common security interests and instruments.

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern and ensure sufficient liquidity in order to provide adequate returns for shareholders. The Company does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets.

The Company is subject to interest rate risk from its borrowings. At present, the Company does not intend to hedge its exposure to interest rate fluctuations. However, the Company will constantly review the economic situation and its interest rate risk profile.

Management believes that current available funds, as well as the option to raise funds through the issuance of shares, will allow the Company to satisfy its requirements for investment, working capital management and the repayment of borrowings when they fall due.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

Amounts due to related party consisted of:

	March 31, 2020	December 31, 2019
	\$	\$
Advances from (to) SOL Global Investments Corp.	(3,985,691)	(14,633,915)
Note receivable (i)	9,772,397	9,913,333
Other receivable (ii)	1,420,000	1,420,000
Due from (to) SOL Global Investments Corp.	7,206,706	(3,300,582)

These balances were unsecured, interest bearing at 8%, with no set terms of repayment. During the three months ended March 31, 2020, \$186,712 (March 31, 2019: Nil) in interest was charged by SOL to the Company.

Included in this balance are the following:

i. Note receivable

During the year ended December 31, 2019, SOL assigned to the Company the right to receive proceeds from the repayment of an unsecured \$10,000,000 ("Note") from a party that is arm's length to SOL. Interest of 4% per annum accrued from November 29, 2019 ("Effective Date") and have the following payment terms:

1. One Hundred Twenty Thousand Dollars (\$120,000) within seven (7) days of the effective date;
2. One Hundred Twenty Thousand Dollars (\$120,000) per month commencing on February 15, 2020 and continuing on the fifteenth day of each month thereafter until June 15, 2020;
3. One Hundred Sixty Thousand Dollars (\$160,000) per month commencing on July 15, 2020 and continuing on the fifteenth day of each month thereafter until this Note is fully paid; and
4. In addition, on June 15, 2020, One Million Six Hundred Thousand Dollar (\$1,600,000)

One year from the Effective Date of this Note (the "Maturity Date"), all amounts of unpaid principal and accrued but unpaid interest then outstanding hereunder shall be due and payable. As at March 31, 2020, 9,772,397 (December 31, 2019: \$9,913,333) remains outstanding.

ii. ECD advance

During the year ended December 31, 2019, SOL assigned to the Company the right to receive \$1,420,000 pursuant to an unsecured advance to ECD, Inc ("Northern Emeralds") by SOL. On May 16, 2019, the Company entered into a binding letter of intent (the "Northern Emeralds LOI") to acquire either all the assets or all the issued and outstanding shares of Northern Emeralds. Subsequent to the year end, the Northern Emeralds LOI expired in accordance with its terms. The unsecured advance, which was assigned from SOL, is unsecured, non-interest bearing with no set terms of repayment.

The carrying value of other amounts owed to SOL included the following:

	March 31, 2020	December 31, 2019
	\$	\$
Note payable (note 14)	(3,319,481)	(3,165,161)
Convertible debenture (note 15)	(5,509,557)	-
	(8,829,038)	(3,165,161)

Key management includes the Company's directors and members of the executive management team. Total compensation of key management personnel and directors was approximately \$190,341 for the three months ended March 31, 2020 (March 31, 2019: \$Nil).

Contractual Obligations and Commitments

The following table presents the contractual undiscounted cash flows of financial liabilities as at March 31, 2020:

	Less than 1 Year	1 to 3 years	3 to 5 years	Greater than 5 years	Total
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	5,234,257	-	-	-	5,234,257
Note payable	800,000	6,150,716	-	-	6,950,716
Convertible debenture		8,738,629	-	-	8,738,629
Construction loan	50,000	2,088,615	-	-	2,138,615
March 31, 2020	6,084,257	16,977,960	-	-	23,062,217

Subsequent events

On April 17, 2020, the Construction Loan was amended and restated to, among other things, provide for an additional advance of \$5,000,000 (the "Bridge Loan") that had not otherwise been contemplated under the original disbursement schedule of the Construction Loan. The Bridge Loan bears an interest rate of 19.0% per annum and matures on the earliest of: (i) December 31, 2020, (ii) the sale of the Company's Ruskin facility, and (iii) the occurrence of an event of default (as set out in the amended and restated construction loan agreement). The lender is not obligated to advance and disburse any further amounts under the construction loan until the Bridge Loan has been repaid in full.

Significant Accounting Policies and Judgements

See note 3 of the Financial Statements for the three months ended March 31, 2020 and 2019 for more information.

Financial Instruments

See note 19 of the Financial Statements for the three months ended March 31, 2020 and 2019 for more information.

Risk Factors

There are various risk factors that could cause the Company's future results to differ materially from those described in this MD&A. The risks and uncertainties described below are those the Company currently believes to be material, but they are not the only ones the Company faces. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that it currently considers not to be material, actually occur or become material risks, the Company's business, financial condition, results of operations and cash flows, and consequently the price of the Shares, could be materially and adversely affected. The risks discussed below also include forward-looking statements and the Company's actual results may differ substantially from those discussed in the forward-looking statements. See Section 17 – Risk Factors in the Listing Statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General

The following Management's Discussion and Analysis (the "**MD&A**") of the consolidated financial position and results of operations for CannCure Investments Inc. ("CannCure" or the "Company") is for the for the period from June 5, 2018 (date of incorporation) to December 31, 2018 and the year ended December 31, 2019. It is supplemental to, and should be read in conjunction with the Company's consolidated financial statements and the accompanying notes for the year ended December 31, 2019 and the period from June 5, 2018 (date of incorporation) to December 31, 2018 (the "**Financial Statements**"). This section may contain forward-looking information that involve numerous risks and uncertainties. The forward-looking information is not historical fact, but rather is based on the Company's current plans, objectives, goals, strategies, estimates, assumptions and projections about its industry, business and future financial results. Actual results could differ materially from those discussed in such forward-looking information. See "Forward-Looking Statements". All dollar figures included therein and in the following MD&A are expressed in United States dollars unless stated otherwise.

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The Company entered into a business combination agreement (the “Combination Agreement”) effective February 20, 2020 with Goldstream Minerals Inc. (“Goldstream”), which sets out the terms and conditions relating to a proposed transaction (the “**Transaction**”) pursuant to which Goldstream will acquire all of the issued and outstanding common shares in the capital of CannCure (the “**CannCure Shares**”). Concurrently with the completion of the Transaction, the parties have agreed that Goldstream shall change its name to a name satisfactory to “Bluma Wellness Inc.” (the “Resulting Issuer”). Following completion of the Transaction, the Goldstream will continue to carry on the business of CannCure. The LOI was entered into as a result of an arm’s length negotiation between the parties.

Under the terms of the Combination Agreement, the Proposed Transaction will be completed by way of a three-cornered amalgamation involving a wholly-owned subsidiary of Goldstream amalgamating with CannCure to form a single, wholly-owned subsidiary of the Resulting Issuer. In connection with the Proposed Transaction, Goldstream will reconstitute its board of directors and management team and change its name to “Bluma Wellness Inc.” or such other similar name as may be accepted by the relevant regulatory authorities (the “**Name Change**”) and the Resulting Issuer will conduct its business under the new name.

As a condition to the Proposed Transaction, Goldstream will de-list from the NEX board of the TSX Venture Exchange (“**TSXV**”) and the Resulting Issuer will apply to list its common shares on the Canadian Securities Exchange (the “**CSE**”). The Proposed Transaction cannot be completed while Goldstream is listed on the NEX board of the TSXV. Accordingly, an application will be made to voluntarily delist its common shares from the NEX board of the TSXV and to list the common shares of the Resulting Issuer on the CSE. The delisting of Goldstream’s common shares from the NEX board of the TSXV and the listing of the Resulting Issuer shares on the CSE will be subject to all applicable shareholder and regulatory approvals. The parties anticipate that upon the satisfaction of the CSE’s initial listing requirements and approval by the CSE, the common shares of the Resulting Issuer will begin trading on the CSE following the closing of the Proposed Transaction. There is no guarantee that the Resulting Issuer will meet the listing requirements or that the CSE will approve the Resulting Issuer for listing.

The Combination Agreement includes a number of other conditions, including but not limited to:

- the consolidation of Goldstream’s common shares on a 23.3053:1 basis (the “**Consolidation**”), the issuance of post-Consolidation Goldstream common shares to holders of CannCure common shares (the “**CannCure Shares**”) on a 1:1 basis;
- the continuance of Goldstream into the province of British Columbia;
- the entering into of lock-up agreements by certain CannCure shareholders, officers and directors;
- CannCure obtaining a US\$15,000,000 construction loan from an arm’s length third party lender or completing an alternative financing to ensure sufficient funding for operations following closing;
- the approvals of all regulatory bodies having jurisdiction in connection with the Proposed Transaction, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use; and
- other closing conditions customary to transactions of the nature of the Proposed Transaction.

An annual general and special meeting of shareholders of Goldstream will be held on April 9, 2020 to consider and approve, among other things, the de-listing of Goldstream from the NEX, the reconstitution of Goldstream's board of directors, the Name Change and the Consolidation.

Pursuant to the terms of the Combination Agreement, and in connection with the Proposed Transaction:

1. holders of CannCure Shares will receive one (1) fully paid and non-assessable post-Consolidation Resulting Issuer share for each CannCure Share held; and
2. all outstanding warrants, convertible debentures and other securities to purchase CannCure Shares will be exchanged on an equivalent basis for warrants, convertible debentures and other such securities to purchase common shares of the Resulting Issuer.

Operational Highlights

The Company, through its wholly-owned subsidiary, 3 Boys Farm, LLC (d/b/a One Plant Florida) ("One Plant Florida"), conducts licensed operations to cultivate, process and dispense medical cannabis in the State of Florida in accordance with Florida state law. One Plant Florida is one of the original 14 vertically-integrated and licensed MMTCs in Florida that operate from "seed to sale" pursuant to Florida Statutes section 381.986. One Plant Florida's MMTC license was originally granted on July 31, 2017.

One Plant Florida's operations began at the eight acre farm at the Ruskin Facility, which received OMMU approval to begin cultivating medical cannabis on January 2, 2018. One Plant Florida has a fully operational, GMP and GAP-certified greenhouse cultivation facility at the Ruskin Facility that has a total canopy size of approximately 24,000 square feet, as well as harvest and post-harvesting cure facilities. Monthly output from the Ruskin Facility is approximately 325 pounds of cannabis flower per month. One Plant Florida began renovations at the Ruskin Facility on April 1, 2019 in order to: (i) install full air conditioning systems for the greenhouses; (ii) install clean walls to divide each 6,000 square foot greenhouse room into two separate 3,000 square foot greenhouse rooms; (iii) install new lighting and electrical upgrades; (iv) install a new well; and (v) construct a temperature and humidity-controlled cure and processing room. All such renovations and upgrades to the Ruskin Facility were subsequently completed.

The Company, through its wholly-owned subsidiary, 3 Boys Farm, LLC (d/b/a One Plant Florida) owns and operates the Indiantown Facility, another cultivation, processing and manufacturing facility located on a thirty-three (33) acre parcel of land in Indiantown, Florida. On March 29, 2019, One Plant Florida received OMMU approval to process medical cannabis at the Indiantown Facility and began operating a 2,500 square foot processing, extraction and distillation laboratory to create THC and low-THC distillates and oils, as well as cannabis flower (sold in varying sizes from one-eighth of an ounce to full ounce) and pre-rolled cannabis flower joints (0.5 gram and 1 gram units, respectively).

One Plant Florida also constructed and received all necessary approvals and authorizations for its 54,000 square foot Nexus Greenhouse facility at the Indiantown Facility, which commenced cultivation operations on April 10, 2020, following receipt of approval from the OMMU. The Greenhouse utilizes modern, state-of-the-art agricultural technology combined with a high-yield growing approach to produce indoor-style cultivated flower with less demand on energy resources. The Greenhouse was designed to include ten (10) separate cultivation rooms and will employ separate heating and cooling systems for each room, shade control and light deprivation systems, state-of-the-art automation, and irrigation and fertigation systems, all to enhance One Plant Florida's continued production of high-quality cannabis flower. One Plant Florida expects that the Greenhouse will yield a harvest of 9,000 pounds of medical cannabis in 2020 and 14,400 pounds of medical cannabis in 2021.

One Plant Florida intends to expand the Indiantown Facility by constructing a new, state-of-the-art 88,327 square foot indoor facility that will be used for cultivation, processing and manufacturing, and for lab and kitchen operations. The new indoor facility will be located on One Plant Florida's existing Indiantown, Florida property, directly adjacent to the Greenhouse. The expansion of the Indiantown Facility will provide: (i) a tilt wall building for the indoor growing, trimming and curing of medical cannabis; (ii) a kitchen lab for manufacturing edible products;

(iii) a lab for distillate manufacturing; (iv) production, trim and packaging areas; and (v) a shipping and receiving area for distribution to delivery hubs throughout the State of Florida. The total cost of the construction and development of the expansion of the Indiantown Facility is expected to be between \$18 million and \$20 million and will be funded, in part, with the proceeds of the Construction Loan Financing. The indoor facility will include individual flowering rooms, post-harvest processing rooms, advanced curing rooms, and storage and administrative space. One Plant Florida anticipates that the expansion of the Indiantown Facility will be in operation on or before April 1, 2021, subject to the receipt of all required regulatory approvals from the OMMU, as well as the completion of Good Manufacturing Practices certification. Once all facilities at the Indiantown Facility are fully operational, the facility is expected to produce approximately 15,000 pounds of cannabis per year.

In early July 2019, One Plant Florida commenced home deliveries throughout Florida with a fleet of 13 delivery vehicles. One Plant Florida plans to open a total of 15 retail dispensaries and/or dispensary hubs statewide by March 1, 2021, including its three current retail dispensaries located in Boynton Beach, Florida, Jacksonville Beach, Florida, and St. Petersburg, Florida. One Plant Florida anticipates that the cost of opening such retail dispensaries or dispensary hubs will total approximately \$3,500,000. One Plant Florida opened its first retail location in Boynton Beach, Florida on November 6, 2019, followed by its retail location in Jacksonville Beach, Florida on March 6, 2020, and its retail location in St. Petersburg, Florida on April 17, 2020, and intends to open seven (7) additional retail dispensaries and/or dispensary hubs by November 2020 (subject to the receipt of all required approvals from the OMMU) in the following locations and order: (1) Port St. Lucie, Florida, (2) Ocala, Florida, (3) Fern Park (Orlando), Florida, (4) Avon Park, Florida, (5) North Miami, Florida, (6) Oakland Park, Florida, (7) Pensacola, Florida. Additional locations are expected to open in South Florida, Southwest Florida and North Florida by the first quarter of 2021. All retail dispensaries and dispensary hubs are expected to carry a diversified range of cannabis and cannabis-related products including cannabis flower, pre-rolled cannabis flower joints, distillate products, solventless hash and concentrates, balms, tinctures and other cannabis-related products. One Plant Florida will continue its strategic focus on delivery of medical cannabis through its dispensary hubs and by increasing the number of delivery vans assigned to each location. One Plant Florida expects to provide 24-hour delivery timing throughout the State of Florida by the first quarter of 2021.

Acquisition of 3 Boys Farm, LLC

On October 9, 2018, the Company entered into a sale and purchase agreement to purchase 60% of the outstanding membership interests of 3 Boys Farm, LLC (“3 Boys”) at a consideration of \$28,800,000 (the “First Closing”). The Company acquired the remaining 40% membership interests in 3 Boys on December 7, 2018 (the “Second Closing”). 3 Boys Farm, LLC is a limited liability company that operates a sustainably designed and operated, certified organic hydroponic farm located in west central Florida in the town of Ruskin.

In addition to the cash consideration paid, the Company also granted the sellers of 3 Boys an option to convert up to \$2,000,000 of the cash consideration due upon the second closing in shares of the Company upon it being a publicly trade entity with which the Company would engage in a reverse take-over transaction, should such an entity be identified by the Second Closing (the “RTO option”). If the sellers elect to receive the option, the cash consideration at the second closing would be reduced by the amount of the election up to \$2,000,000. Further, the sellers of 3 Boys would receive 40% of any proceeds upon a sale of 3 Boys by the Company within 180 days of the closing date in excess of \$53,000,000. The Company as recognized contingent consideration in the amount of \$545,243 for this right to additional proceeds.

The fair value of identifiable assets and liabilities of 3 Boy Farm, LLC as at the date of acquisition were as follows:

Cash and cash equivalents	82,671
Biological assets	1,161,855
Inventory	48,712
Prepaid expenses	39,000
Property, plant and equipment	1,272,432
License	46,450,000
Accounts payable and accrued liabilities	(253,314)
Due to related parties	(1,046,000)
Goodwill	757,038
Total identifiable net assets at fair value	48,512,394

Satisfied by:

Cash paid at the First Closing	28,800,000
Fair value of cash due at Second Closing	19,132,277
Option for shares	34,874
Contingent consideration	545,243
Total Consideration Paid	48,512,394

Second Closing

On December 7, 2018, the Company acquired the remaining 40% interest of 3 Boys Farm, LLC at a cash consideration of \$19,200,000. Upon completion of the transaction, 3 Boys Farm, LLC became a wholly-owned subsidiary of the Company. The RTO option expired unexercised.

Carrying amount of non-controlling interests acquired	(147,384)
Increase in Deficit	(147,384)

The Company recognized net loss of \$8,222,032 related to the operations of 3 Boys Farm, LLC during the year ended December 31, 2019 (\$133,424 from the acquisition date of October 9, 2018 to December 31, 2018).

Selected Financial Information

Key financial statement items are summarized in the tables below:

	For the year ended December 31, 2019	From June 5, 2018 (date of incorporation) to December 31, 2018
	(\$)	(\$)
Revenue	801,874	-
Net loss	(12,248,053)	(11,708,328)
Net loss per share	\$ (0.17)	\$ (0.32)

	As at December 31, 2019	As at December 31, 2018
	(\$)	(\$)
Total assets	81,703,317	50,801,733
Working capital	(13,354,455)	(17,997,784)
Total non-current financial liabilities	Nil	Nil
Cash dividends declared	Nil	Nil

Results of Operations

Revenue and cost of sales

The following table presents selected financial results related to the Company's revenue and cost of sales:

	For the year ended December 31, 2019	From June 5, 2018 (date of incorporation) to December 31, 2018
	(\$)	(\$)
Revenue	801,874	-
Cost of sales	(4,398,916)	-
Revenues less cost of sales before fair value adjustments	(3,597,042)	-

For the year ended December 31, 2019, all revenues were earned in the State of Florida.

During the year ended December 31, 2019, total revenues increased by \$801,874 from the prior year's comparable period. Cost of sales (which include cost of inventory sold, production salaries and wages, and production supplies and expense) increased by \$4,398,916. The increase is attributable to the acquisition of 3 Boys Farm, LLC in the fourth quarter of the period ended December 31, 2018, at which point the Company began cultivating cannabis.

Biological assets

Biological assets consist of cannabis plants. For the period from June 5, 2018 (date of incorporation) to December 31, 2018 and year ended December 31, 2019, the changes in the carrying value of biological assets are shown below:

	For the year ended December 31, 2019	From June 5, 2018 (date of incorporation) to December 31, 2018
	(\$)	(\$)
Biological assets, beginning balance	723,516	-
Acquisition of 3 Boys Farms, LLC	-	1,161,855
Changes in fair value less costs to sell due to biological transformation	4,775,209	1,014,667
Transferred to inventory upon harvest	(4,730,519)	(1,453,006)
Biological assets, ending balance	768,206	723,516

The Company values its biological assets at the end of each reporting period at fair value less costs to sell and complete. This is determined using a valuation model to estimate the expected harvest yield per plant applied to the estimated price per gram less processing and selling costs. This model also considers the progress in the plant life cycle. Management has made the following estimates in this valuation model:

- The average number of weeks in the growing cycle is 20 weeks from propagation to harvest;
- The average harvest yield of whole flower is 104 grams per plant;
- The average selling price of whole flower is \$6.98 per gram;
- Processing costs include drying and curing, testing and packaging, and post-harvest overhead allocation, estimated to be \$0.52 per gram; and
- Selling costs include shipping, order fulfillment, and labelling, estimated to be \$1.14 per gram.

The estimates of selling price, growing cycle, harvest yield, and costs per gram are based on the Company's historical results. Management has quantified the sensitivity of the inputs, and determined the following:

- Selling price per gram - a decrease in the selling price per gram by 5% would result in the biological asset value decreasing by \$50,925 (2018 - \$48,040).
- Harvest yield per plant - a decrease in the harvest yield per plant of 5% would result in the biological asset value decreasing by \$38,911 (2018 - \$36,176).
- Average days to grow – an increase in the average days to grow by 5% would result in the biological asset value decreasing by \$37,857 (2018 – \$1,027).
- Processing costs per gram – an increase in the cost per gram by 5% would result in the biological asset value decreasing by \$4,312 (2018 - \$1).

These inputs are level 3 on the fair value hierarchy, and are subject to volatility and several uncontrollable factors, which could significantly affect the fair value of biological assets in future periods. As of December 31, 2019, the biological assets were on average, 50% complete based on the number of days remaining to harvest, and the estimated fair value less costs to sell of dry cannabis was \$768,206 (As of December 31, 2018, the biological assets were on average, 83% complete based on the number of days remaining to harvest, and the estimated fair value less costs to sell of dry cannabis was \$723,516). As of December 31, 2019, it is expected that the Company's biological assets will ultimately yield approximately 561,588.82 grams of cannabis (2018: 113,817 grams).

Expenses

The following table presents selected financial results related to the Company's expenses:

	For the year ended	From June 5, 2018	Variance	Variance
	December 31, 2019	(date of incorporation) to December 31, 2018		
	(\$)	(\$)	(\$)	(%)
Amortization and depreciation	3,748,787	735,171	3,013,616	80%
Professional fees	1,513,096	1,485,006	28,090	2%
Transaction costs	529,194	10,254,000	(9,724,806)	-1838%
General and administrative	5,025,274	93,421	4,931,853	98%
Finance expense	2,463,855	68,718	2,395,137	97%

Expenses such as amortization and depreciation, professional fees, general and administrative expenses and finance expense, increased significantly during the year-ended December 31, 2019 over the comparative period. The increase is attributable to the commencement of cannabis operations following the acquisition of 3 Boys Farm, LLC in 2018.

Transaction costs were \$529,194 during the year ended December 31, 2019, representing a decrease of \$9,724,806, or 1838%, from the comparative period. This is largely due to costs incurred leading up to the closing of the 3 Boys acquisition in the comparative period, which are not expected to recur in 2019 onward.

Summary of Quarterly Results

The following table sets forth a comparison of the Company's revenues and earnings on a quarterly basis since incorporation:

	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19
	(\$)	(\$)	(\$)	(\$)
Revenue	650,847	151,027	-	-
Net loss	4,058,171	4,671,599	2,926,703	591,581
Net loss per Share, basic and diluted	0.05	0.06	0.04	0.01

	31-Dec-18	30-Sep-18	30-Jun-18
	(\$)	(\$)	(\$)
Revenue	-	-	-
Net loss	8,030,799	3,677,529	-
Net loss per share, basic and diluted	0.22	0.10	-

Liquidity and Capital Resources

The Company's total cash balance as at December 31, 2019 was \$176,518. For the year ended December 31, 2019 cash flows used in operating activities were \$12,101,492 due to the Company's efforts to deploy capital into production of inventory, lease deposits and other working capital items. The Company expects improvements to operating cash flow as sales increase with the number of new retail locations opened.

As at December 31, 2019, the Company's total working capital deficiency was \$13,354,455. The company expects to be able to meet its obligations through a combination of proceeds from debt and issuance of shares. On February 21, 2020, the Company secured a \$15,000,000 construction loan to fund the construction and development of an indoor cultivation, processing and lab facility in Indiantown, Florida. The construction loan consists of a five-year USD\$15,000,000 loan, with year one interest only on the amount outstanding, future advances not to exceed USD\$20,000,000 in total, and an interest rate of 13.5%. The construction loan is secured by a mortgage and other commercially-common security interests and instruments.

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern and ensure sufficient liquidity in order to provide adequate returns for shareholders. The Company does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets.

The Company is subject to interest rate risk from its borrowings. At present, the Company does not intend to hedge its exposure to interest rate fluctuations. However, the Company will constantly review the economic situation and its interest rate risk profile.

Management believes that current available funds, as well as the option to raise funds through the issuance of shares, will allow the Company to satisfy its requirements for investment, working capital management and the repayment of borrowings when they fall due.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

As at December 31, 2019 and 2018, amounts due to related party consisted of:

	December 31, 2019	December 31, 2018
	\$	\$
Due to SOL Global Investment Corp.	3,300,582	670,000

These balances were unsecured, interest bearing at 8%, with no set terms of repayment. During the year \$466,935 in interest was charged by SOL to the Company.

Included in this balance are the following:

Note receivable

During the year ended December 31, 2019, SOL assigned to the Company the right to receive proceeds from the repayment of an unsecured \$10,000,000 ("Note") from a party that is arm's length to SOL ("borrower"). Interest of 4% per annum accrued from November 29, 2019 ("Effective Date") and have the following payment terms:

1. One Hundred Twenty Thousand Dollars (\$120,000) within seven (7) days of the effective date;
2. One Hundred Twenty Thousand Dollars (\$120,000) per month commencing on February 15, 2020 and continuing on the fifteenth day of each month thereafter until June 15, 2020;
3. One Hundred Sixty Thousand Dollars (\$160,000) per month commencing on July 15, 2020 and continuing on the fifteenth day of each month thereafter until this Note is fully paid; and
4. In addition, on June 15, 2020, One Million Six Hundred Thousand Dollar (\$1,600,000)

One year from the Effective Date of this Note (the "Maturity Date"), all amounts of unpaid principal and accrued but unpaid interest then outstanding hereunder shall be due and payable. As at December 31, 2019, \$9,913,333 remains outstanding.

ECD advance

During the year ended December 31, 2019, SOL assigned to the Company the right to receive \$1,420,000 pursuant to an unsecured advance to ECD, Inc ("Northern Emeralds") by SOL. On May 16, 2019, the Company entered into a binding letter of intent (the "Northern Emeralds LOI") to acquire either all the assets or all the issued and outstanding shares of Northern Emeralds. Subsequent to the year end, the Northern Emeralds LOI expired in accordance with its terms. The unsecured advance, which was assigned from SOL, is unsecured, non-interest bearing with no set terms of repayment.

Key management includes the Company's directors and members of the executive management team. Total compensation of key management personnel and directors was approximately \$905,837 for the year ended December 31, 2019 (\$186,154 for the period from date of incorporation to December 31, 2018).

Contractual Obligations and Commitments

The following table presents the contractual undiscounted cash flows of financial liabilities as at December 31, 2019:

Minimum payments under leases	
Within 1 year	\$ 2,145,221
2 to 3 years	4,296,533
4 to 5 years	37,245,657
	\$ 43,687,411

Minimum payments for other contractual obligations, including accounts payable, note payable and due from related party	
Within 1 year	\$ 13,252,306
2 to 3 years	-
4 to 5 years	-
	\$ 13,252,306

Total undiscounted cash flows	\$ 56,939,717
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Significant Accounting Policies and Judgements

See *note 3* of the Financial Statements for the period from June 5, 2018 (date of incorporation) to December 31, 2018 and the year ended December 31, 2019 for more information.

Changes in Accounting Policies Including Initial Adoption

See *note 3* of the Financial Statements for the period from June 5, 2018 (date of incorporation) to December 31, 2018 and the year ended December 31, 2019 for more information.

Financial Instruments

See *note 20* of the Financial Statements for the period from June 5, 2018 (date of incorporation) to December 31, 2018 and the year ended December 31, 2019 for more information.

Subsequent Events

Construction Loan

On February 12, 2020 the Company secured a USD\$15,000,000 construction loan from Advanced Flower Capital to fund the construction and development of an 88,000 square foot indoor cultivation, processing, and lab facility in Indiantown, Florida.

The construction loan consists of a five-year USD\$15,000,000 loan, with year one interest only on the amount outstanding, future advances not to exceed USD\$20,000,000 in total, and an interest rate of 13.5%. The construction loan is secured by a mortgage and other commercially-common security interests and instruments.

On April 17, 2020, the Construction Loan was amended and restated to, among other things, provide for an additional advance of \$5,000,000 (the "Bridge Loan") that had not otherwise been contemplated under the original disbursement schedule of the Construction Loan. The Bridge Loan bears an interest rate of 19.0% per annum and matures on the earliest of: (i) December 31, 2020, (ii) the sale of the Company's Ruskin facility, and (iii) the occurrence of an event of default (as set out in the amended and restated construction loan agreement). The lender is not obligated to advance and disburse any further amounts under the construction loan until the Bridge Loan has been repaid in full.

Reverse Takeover Transaction

On February 20, 2020, the Company and Goldstream Minerals Inc. ("Goldstream") have entered into the Combination Agreement which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of Goldstream by the Company (the "Proposed Transaction"). The Resulting Issuer from the Proposed Transaction will carry on the business of the Company as a U.S. multi-state cannabis company. Under the terms of the Combination Agreement the Proposed Transaction will be completed by way of a three-cornered amalgamation involving a wholly-owned subsidiary of the Company amalgamating with the Company to form a single, wholly-owned subsidiary of the Resulting Issuer. As a condition to the Proposed Transaction, the Company will de-list from NEX board of the TSX Venture Exchange and the Resulting Issuer will apply to list its common shares on the Canadian Securities Exchange.

COVID-19

Due to the disruption of the COVID-19 crisis, the Company's business activities might be subject to certain level of impact. To the date of the issuance of these consolidated financial statements, the Company is still assessing the impact on its business, results of operations, financial position and cash flows, which will be accounted for when the reliable estimates will become available.

Risk Factors

There are various risk factors that could cause the Company's future results to differ materially from those described in this MD&A. The risks and uncertainties described below are those the Company currently believes to be material, but they are not the only ones the Company faces. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that it currently considers not to be material, actually occur or become material risks, the Company's business, financial condition, results of operations and cash flows, and consequently the price of the Shares, could be materially and adversely affected. The risks discussed below also include forward-looking statements and the Company's actual results may differ substantially from those discussed in the forward-looking statements. See Section 17 – Risk Factors in the Listing Statement.

SCHEDULE E
INTERIM MD&A OF GOLDSTREAM MINERALS INC. FOR THE THREE MONTHS ENDED
MARCH 31, 2020, AND ANNUAL MD&A FOR THE FINANCIAL YEARS ENDED DECEMBER
31, 2019 AND 2018

(See attached)

Management's Discussion & Analysis

Introduction

The following management discussion and analysis ("MD&A") is a review of operations, current financial position and outlook for Bluma Wellness Inc. (Formerly Goldstream Minerals Inc.) (the "Company" or "Bluma") and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020 and the audited financial statements for the year ended December 31, 2019. Results are presented for the three months ended March 31, 2020, and 2019 and amounts are reported in Canadian dollars based upon the condensed consolidated interim financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Management has prepared this MD&A as of May 29, 2020.

This MD&A provides management's view of the financial condition of the Company and the results of its operations for the reporting periods indicated. Additional information related to Bluma can be obtained from the offices of the Company or is available as filed on the Canadian Securities Administrators' website at www.sedar.com.

Overview of the Company

Since the Company disposed of all of its mineral interests in 2016, the Company is now in the business of identifying, evaluating and negotiating the acquisition of assets or a business. The Company has a wholly owned subsidiary, Goldstream Exploration Ltd. ("Goldstream Exploration") and is listed on the NEX Exchange under the trading symbol "GSX.H".

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of assets or a business. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations and complete an acquisition, may be impaired and accordingly, the Company may be unable to realize on the carrying value of its net assets. These circumstances cast significant doubt about the Company's ability to continue as a going concern.

Forward Looking Information

This MD&A contains forward-looking statements concerning anticipated developments on the Company's continuing operations, the adequacy of the Company's financial resources, financial projections, including, but not limited to, estimates of capital and operating costs, net cash flows, net present value, internal rate of return, exchange rates, and other events or conditions that may occur in the future. Forward-looking statements are frequently, but not always, identified by words such as "expects," "anticipates," "believes," "intends," "estimates," "potential," "possible," "budget" and similar expressions, or statements that events, conditions or results "will," "may," "could" or "should" occur or be achieved. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those described in this MD&A.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and the Company assumes no obligation to update such forward-looking statements in the future, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

Overall Performance

Given the limited financial resources of the Company, the Company has wound down all exploration activities and is currently exploring other business opportunities.

Corporate Developments, Highlights and Outlook

On February 20, 2020, the Company and CannCure Investment Inc. ("CannCure") have entered into a definitive business combination agreement (the "Combination Agreement") which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of the Company by CannCure (the "Proposed Transaction"). The resulting issuer from the Proposed Transaction (the "Resulting Issuer") will carry on the business of CannCure as a U.S. multi-state cannabis company to be called "Bluma Wellness Inc." with operations in Florida via One Plant Florida (f/k/a 3 Boys Farm LLC) and in the event that its proposed acquisition of ECD Holdings Inc. (d/b/a as "Northern Emeralds") is completed, will begin operations in the State of California. Under the terms of the Proposed Transaction, the Company will consolidate all its issued and outstanding common shares on a ratio of 23.3053 old common shares for 1 new common share.

On March 19, 2020, the Company and CannCure have amended the Proposed Transaction. Under the terms of the amendment, the Company will consolidate all of its issued and outstanding common shares on a revised ratio of 16.07201 old common shares for 1 new common share (the "Consolidation").

On May 11, 2020, the Company has completed the Consolidation and on the same date, amended its articles in accordance with the Canada Business Corporation Act and changed its name from "Goldstream Minerals Inc." to "Bluma Wellness Inc.". The Company filed articles of continuance to continue the Company out of the federal jurisdiction and into the provincial jurisdiction of British Columbia which became effective at the close of business on May 22, 2020.

On May 22, 2020, CannCure shareholders approved the amalgamation of CannCure with a wholly-owned subsidiary of the Company to effect the effect the RTO.

On May 25, 2020, the Company announced that CannCure and ECD Holdings Inc., operating as Northern Emeralds have mutually terminated the proposed acquisition of Northern Emeralds, after the parties failed to come to an agreement on a definitive purchase agreement for the proposed transaction. If and upon the completion of the RTO, the Company intends to remain focused on building, scaling, and operating in the State of Florida and will continue to examine and evaluate strategic expansion opportunities.

In the first quarter of 2020, the COVID-19 pandemic has caused significant volatility in financial markets and has raised the prospect of an extended global recession. COVID-19 has impacted vast array of businesses through the restrictions out in place by governments internationally as well as provincial and municipal governments, regarding travel, business operations and quarantine orders. At this time, the extent and severity of the impact of the COVID-outbreak have on the Company is unknown as this will depend on future developments that are highly unpredictable, including the geographic spread of the disease, the duration of the outbreak and the timing of when a vaccine can be developed. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

Overview of Selected Financial Information and Management's Discussion

The following tables presents selected quarterly financial information for the Company as at and for the periods indicated and is derived from quarterly financial statements prepared by management.

Summary of Quarterly Results

Quarter ended	Q1-2020 Mar 31/20 (\$)	Q4-2019 Dec 31/19 (\$)	Q3-2019 Sep 30/19 (\$)	Q2-2019 Jun 30/19 (\$)	Q1-2019 Mar 31/19 (\$)	Q4-2018 Dec 31/18 (\$)	Q3-2018 Sep 30/18 (\$)	Q2-2018 Jun 30/18 (\$)
Net income (loss)	(80,960)	(50,837)	(66,234)	(64,869)	(59,343)	(58,743)	(50,247)	(54,769)
Net income (loss) per share *	(0.05)	(0.03)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.05)
Total assets	333,309	342,667	373,198	387,181	410,749	423,534	439,760	445,891
Working capital	(118,707)	(37,747)	13,090	79,324	144,193	203,536	262,279	312,526

* basic and diluted

For the three months ended March 31, 2020, compared to the three months ended March 31, 2019

The Company incurred a net loss of \$80,960, or \$0.00 per share for the three months ended March 31, 2020 (2019 – Net loss of \$59,343 or \$0.00 per share). General and administrative expenses increased to \$82,475 during the three months ended March 31, 2020 (2019 - \$60,896) due to increase in professional fees incurred for the Proposed Transaction.

	Three-months ended March 31,	
	2020	2019
Operating expenses:		
Professional fees	\$ 46,902	\$ 28,903
Consulting fees	27,650	27,650
Office, rent and miscellaneous	7,923	4,343
Total expenses	\$ 82,475	\$ 60,896

Liquidity and Capital Resources

As at March 31, 2020, the Company had cash and equivalents and short-term investments of \$299,548 and working capital deficit of \$118,707. As at May 29, 2020, the Company has cash and cash equivalents and of approximately \$148,322 and working capital deficit of approximately \$130,145. the Company's main sources of funding are equity markets and advances from related and strategic parties.

the Company currently has no source of operating cash flows as at March 31, 2020, and has significant cash requirements to continue its administrative overhead. In order to meet future expenditures, the Company will need to raise additional financing. Although the Company has been successful in obtaining financing to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company. In addition, in order to lower expenditures and conserve capital, the Company continues to decrease overhead and exploration budgets.

The Company has significant negative cash flows from operations. Whether and when the Company can attain profitability and positive cash flows is uncertain. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

To address its financing requirements, the Company recently entered into a proposed transaction with CannCure which upon successful closing, would result in a reverse takeover of the Company. This transaction is expected to be closed in 2020 Q2.

Related Party Transactions

The Company transacts with related parties in the normal course of business. These transactions are measured at their exchange amounts.

- (a) Included in accounts payable and accrued liabilities was \$216,142 owing to officers and directors or their respective controlled companies (December 31, 2019 - \$182,882).
- (b) During the three months ended March 31, 2020, \$7,650 (2019 - \$7,650), of consulting fees were incurred from a company controlled by a director.

Accounting Changes

Leases

IFRS 16 Leases was issued by the IASB in January 2016 and specifies the requirements to recognize, measure, present and disclose leases. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted. As the Company did not have any existing leasing arrangements, no material impact to the financial statement was noted upon adoption.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Disclosure of Outstanding Share Data

The following table describes the Company's share capital structure as at the date of this MD&A:

Equity Type	Weighted Average Exercise Price Per Share	Total Number Outstanding
Common shares	-	1,503,759
Fully diluted		1,503,759

Risk Factors

The Company is subject to a number of risks due to the nature of the business.

Going Concern Risk

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The Company has no significant source of operating cash flows and has continuous cash requirements to maintain its administrative overhead. In order to meet future expenditures and exploration costs, the Company will need to raise additional financing. Although the Company has been successful in obtaining financing to date, there can be no assurance that adequate funding will be available in the future, or

available under terms favorable to the Company. The consolidated interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern.

In addition, the Company incurred substantial losses to date. These conditions indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

Current Global Financial Conditions

Events in global financial markets have had a profound impact on worldwide economies. Many industries have been impacted by the changes in market conditions to varying degrees. Some of the key impacts of the current financial market turmoil include contraction in credit markets and resulting widening of credit risk as well as enhanced volatility in commodity, equity and foreign exchange markets. A continued or worsened slowdown in financial markets or other economic conditions including, without limitation, constraints in credit or surety markets, a sustained slump in economic activity in the mining industry in general and in Canada in particular, the availability of private and public sector funding for mineral exploration and development projects, pressure on margins arising from an altered competitive landscape or an increased risk of corporate bankruptcy in the markets in which the Company operates, may adversely affect the Company in ways that are not possible to predict given the unprecedented nature of the current crisis.

Dependence upon Key Management Personnel and Executives

The Company will be dependent upon the continued support and involvement of a number of key management personnel. The loss of the services of one or more of such personnel could have a material adverse effect on the Company. The Company's ability to manage its exploration and development activities and, hence, its success, will depend in large part on the efforts of these individuals. The Company faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain such personnel. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense.

Possible Conflicts of Interest of Directors and Officers of the Company

Certain of the directors and officers of the Company also serve as directors, officers and/or advisors of and to other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare their conflict of interest and refrain from voting on any matter in which such directors may have a conflict of interest or which are governed by the procedures set forth in the OBCA and any other applicable law.

Absence of Dividends

To date the Company has not paid any dividends on its outstanding securities and the Company does not expect to do so in the foreseeable future. Any decision to pay dividends on the common shares of the Company will be made by the board of directors of the Company respectively, on the basis of the Company's earnings, financial requirements and other conditions.

Risk of Dilution

Under applicable Canadian law, shareholder approval may not be required for the Company to issue additional Company common shares. Moreover, the Company has commitments that could require the issuance of a substantial number of additional Company common shares, in particular, pursuant to company broker options and company stock options. The business of the Company will require substantial additional financing which will likely involve the sale of equity capital. The Company can also be expected to issue additional options, warrants and other financial instruments, which may include debt. Future issuances of equity capital may have a substantial dilutive effect on existing shareholders of the Company. The Company is not able at this time to predict the future amount of such issuances or dilution.

Management's Discussion & Analysis

Introduction

The following management discussion and analysis ("MD&A") is a review of operations, current financial position and outlook for Goldstream Minerals Inc. (the "Company" or "Goldstream") and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019. Results are presented for the year ended December 31, 2019, and 2018 and amounts are reported in Canadian dollars. The audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Management has prepared this MD&A as of March 10, 2020.

This MD&A provides management's view of the financial condition of the Company and the results of its operations for the reporting periods indicated. Additional information related to Goldstream can be obtained from the offices of the Company or is available as filed on the Canadian Securities Administrators' website at www.sedar.com.

Overview of the Company

Since the Company disposed of all of its mineral interests in 2016, the Company is now in the business of identifying, evaluating and negotiating the acquisition of assets or a business. The Company has a wholly owned subsidiary, Goldstream Exploration Ltd. ("Goldstream Exploration") and is listed on the NEX Exchange under the trading symbol "GSX.H".

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of assets or a business. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations and complete an acquisition, may be impaired and accordingly, the Company may be unable to realize on the carrying value of its net assets. These circumstances cast significant doubt about the Company's ability to continue as a going concern.

Forward Looking Information

This MD&A contains forward-looking statements concerning anticipated developments on the Company's continuing operations, the adequacy of the Company's financial resources, financial projections, including, but not limited to, estimates of capital and operating costs, net cash flows, net present value, internal rate of return, exchange rates, and other events or conditions that may occur in the future. Forward-looking statements are frequently, but not always, identified by words such as "expects," "anticipates," "believes," "intends," "estimates," "potential," "possible," "budget" and similar expressions, or statements that events, conditions or results "will," "may," "could" or "should" occur or be achieved. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those described in this MD&A.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and the Company assumes no obligation to update such forward-looking statements in the future, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

Overall Performance

Given the limited financial resources of the Company, Goldstream has wound down all exploration activities and is currently exploring other business opportunities.

Corporate Developments and Highlights

On February 20, 2020, the Company and CannCure Investment Inc. ("CannCure") have entered into a definitive business combination agreement (the "Combination Agreement") which, subject to certain conditions and applicable shareholder and regulatory approvals, including, without limitation, approval from the Florida Department of Health, Office of Medical Marijuana Use, will result in a reverse takeover of the Company by CannCure (the "Proposed Transaction"). The resulting issuer from the Proposed Transaction (the "Resulting Issuer") will carry on the business of CannCure as a U.S. multi-state cannabis company to be called "Bluma Wellness Inc." with operations in Florida via One Plant Florida (f/k/a 3 Boys Farm LLC) and in the event that its proposed acquisition of ECD Holdings Inc. (d/b/a as "Northern Emeralds") is completed, will begin operations in the State of California. For more details, please refer to the audited consolidated financial statements for the year ended December 31, 2019.

Overview of Selected Financial Information and Management's Discussion

The following two table presents selected annual and quarterly financial information for the Company as at and for the periods indicated and is derived from quarterly financial statements prepared by management.

Selected annual information

Year ended	Dec 31/19 (\$)	Dec 31/18 (\$)	Dec 31/17 (\$)	Dec 31/16 (\$)
Finance income	6,182	3,003	-	-
Net income (loss)	(241,283)	(235,523)	(222,015)	131,990
Net income (loss) per share *	(0.01)	(0.01)	(0.02)	0.03
Total assets	342,667	423,534	4,967	70,958
Total liabilities	380,414	219,998	220,176	64,152

* *basic and diluted*

Summary of Quarterly Results

Quarter ended	Q4-2019 Dec 31/19 (\$)	Q3-2019 Sep 30/19 (\$)	Q2-2019 Jun 30/18 (\$)	Q1-2019 Mar 31/18 (\$)	Q4-2018 Dec 31/18 (\$)	Q3-2018 Sep 30/18 (\$)	Q2-2018 Jun 30/18 (\$)	Q1-2018 Mar 31/18 (\$)
Net income (loss)	(50,837)	(66,234)	(64,869)	(59,343)	(58,743)	(50,247)	(54,769)	(71,764)
Net income (loss) per share *	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	342,667	373,198	387,181	410,749	423,534	439,760	445,891	650,896
Working capital	(37,747)	13,090	79,324	144,193	203,536	262,279	312,526	367,295

* *basic and diluted*

For the three months ended December 31, 2019, compared to the three months ended December 31, 2018

The Company incurred a net loss of \$50,837, or \$0.00 per share for the three months ended December 31, 2019 (2018 – Net loss of \$58,743 or \$0.00 per share). The decrease was mainly due to decrease in professional fees to \$20,402 during the three months ended December 31, 2019 (2018 - \$29,875).

For the year ended December 31, 2019, compared to the year ended December 31, 2018

The Company incurred a net loss of \$241,283, or \$0.01 per share for the year ended December 31, 2019 (2018 – Net loss of \$235,523 or \$0.01 per share). The increase was mainly due to increase in professional fees and filing fees.

The following table discloses additional details as to the general and administrative costs incurred for the years ended December 31, 2019 and 2018:

	2019	2018
Operating expenses:		
Professional fees	\$ 111,089	\$ 108,334
Consulting fees	111,442	111,773
Office, rent and miscellaneous	5,002	6,240
Filing fees	19,932	12,179
Total expenses	\$ 247,465	\$ 238,526

Liquidity and Capital Resources

As at December 31, 2019, Goldstream had cash and equivalents and short-term investments of \$323,739 and working capital deficit of \$37,747. As at March 10, 2020, Goldstream has cash and cash equivalents and short-term investments of approximately \$301,107 and working capital deficit of approximately \$83,428. Goldstream’s main sources of funding are equity markets and advances from related and strategic parties.

Goldstream currently has no source of operating cash flows as at December 31, 2019, and has significant cash requirements to continue its administrative overhead. In order to meet future expenditures, Goldstream will need to raise additional financing. Although Goldstream has been successful in obtaining financing to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to Goldstream. In addition, in order to lower expenditures and conserve capital, Goldstream continues to decrease overhead and exploration budgets.

The Company has significant negative cash flows from operations. Whether and when the Company can attain profitability and positive cash flows is uncertain. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Company will need to raise capital in order to fund its operations. To address its financing requirements, the Company will seek financing through debt and equity financings, asset sales, and rights offerings to existing shareholders. The outcome of these matters cannot be predicted at this time.

Related Party Transactions

The Company transacts with related parties in the normal course of business. These transactions are measured at their exchange amounts.

- (a) Included in accounts payable and accrued liabilities was \$182,882 owing to officers and directors or their respective controlled companies (December 31, 2018 - \$102,882).
- (b) During the year ended December 31, 2019, \$110,742 (2018 - \$111,773), of consulting fees were incurred from a company controlled by a director.

Accounting Changes

Financial Instruments

IFRS 9, Financial Instruments: Classification and Measurement, effective for annual periods beginning on or after January 1, 2018. The standard introduces new classification and measurement requirements and a new hedge accounting model. The Standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The Company has adopted IFRS 9 on January 1, 2018 using a modified retrospective basis and the financial statements on that date were as follows, with any reclassifications from December 31, 2017 noted:

	Classification category		Measurement category		Carrying amount at January 1, 2018		
	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Difference
Assets							
Cash	FVTPL	Amortized cost	FVTPL	Amortized cost	\$ 1,689	\$ 1,689	\$ -
Liabilities							
Trade and other payable	Other financial liabilities	Amortized cost	Amortized cost	Amortized cost	\$ 220,176	\$ 220,176	\$ -

The Company's financial assets include cash and cash equivalents and short-term investments and are classified as amortized cost. Financial liabilities include trade payable and accrued liabilities are initially measured at fair value and subsequently classified as amortized cost.

Leases

IFRS 16 Leases was issued by the IASB in January 2016 and specifies the requirements to recognize, measure, present and disclose leases. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted. As the Company did not have any existing leasing arrangements, no material impact to the financial statement was noted upon adoption.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Disclosure of Outstanding Share Data

The following table describes Goldstream's share capital structure as at the date of this MD&A:

Equity Type	Weighted Average Exercise Price Per Share	Total Number Outstanding
Common shares	-	24,168,432
Fully diluted		24,168,432

On March 5, 2018, the Company announced the closing of a private placement, issuing 13,200,000 units, at \$0.05 per unit, raising gross proceeds of \$660,000 less share issuance costs of \$5,732. Each unit consists of one common share and one common share purchase warrant, with each warrant being exercisable into one common share at a price of \$0.07 for a period of 12 months. All warrants were expired for the year ended December 31, 2019.

During the year ended December 31, 2019, all outstanding stock options were expired.

Risk Factors

Goldstream is subject to a number of risks due to the nature of the business.

Going Concern Risk

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The Company has no significant source of operating cash flows and has continuous cash requirements to maintain its administrative overhead. In order to meet future expenditures and exploration costs, the Company will need to raise additional financing. Although the Company has been successful in obtaining financing to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company. The consolidated interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern.

In addition, the Company incurred substantial losses to date. These conditions indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

Current Global Financial Conditions

Events in global financial markets have had a profound impact on worldwide economies. Many industries have been impacted by the changes in market conditions to varying degrees. Some of the key impacts of the current financial market turmoil include contraction in credit markets and resulting widening of credit risk as well as enhanced volatility in commodity, equity and foreign exchange markets. A continued or worsened slowdown in financial markets or other economic conditions including, without limitation, constraints in credit or surety markets, a sustained slump in economic activity in the mining industry in general and in Canada in particular, the availability of private and public sector funding for mineral exploration and development projects, pressure on margins arising from an altered competitive landscape or an increased risk of corporate bankruptcy in the markets in which the Company operates, may adversely

affect the Company in ways that are not possible to predict given the unprecedented nature of the current crisis.

Dependence upon Key Management Personnel and Executives

The Company will be dependent upon the continued support and involvement of a number of key management personnel. The loss of the services of one or more of such personnel could have a material adverse effect on the Company. The Company's ability to manage its exploration and development activities and, hence, its success, will depend in large part on the efforts of these individuals. The Company faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain such personnel. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense.

Possible Conflicts of Interest of Directors and Officers of the Company

Certain of the directors and officers of the Company also serve as directors, officers and/or advisors of and to other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare their conflict of interest and refrain from voting on any matter in which such directors may have a conflict of interest or which are governed by the procedures set forth in the OBCA and any other applicable law.

Absence of Dividends

To date the Company has not paid any dividends on its outstanding securities and the Company does not expect to do so in the foreseeable future. Any decision to pay dividends on the common shares of the Company will be made by the board of directors of the Company respectively, on the basis of the Company's earnings, financial requirements and other conditions.

Risk of Dilution

Under applicable Canadian law, shareholder approval may not be required for the Company to issue additional Company common shares. Moreover, the Company has commitments that could require the issuance of a substantial number of additional Company common shares, in particular, pursuant to company broker options and company stock options. The business of the Company will require substantial additional financing which will likely involve the sale of equity capital. The Company can also be expected to issue additional options, warrants and other financial instruments, which may include debt. Future issuances of equity capital may have a substantial dilutive effect on existing shareholders of the Company. The Company is not able at this time to predict the future amount of such issuances or dilution.