

FORM 13

NOTICE OF AMENDMENT OF WARRANT TERMS

Name of Listed Issuer: Bluma Wellness Inc. (the “**Issuer**”).

Trading Symbol: BWEL.U

Date: January 18, 2021

Date of Press Release announcing amendment: January 15, 2021

Closing price of underlying shares on the day prior to the announcement: US\$1.01 per common share in the capital of the Issuer (each a “Common Share”).

Closing price of underlying shares at the time of issuance: Various prices ranging between US\$0.375 per Common Share (October 30, 2020) and US\$0.55 per Common Share (June 26, 2020).

1. Current terms of warrants to be amended:

Date Issued	Issue Price	Exercise Price	Market Price of underlying shares	Number of Warrants	Expiry Date	Percentage of Warrant class held by Insiders
Various dates between June 26, 2020 and October 30, 2020 ⁽¹⁾	US\$0.3216 to US\$0.4068 ⁽¹⁾	Variable ⁽²⁾	US\$1.01 ⁽³⁾	45,869,475	Various dates between June 26, 2022 and October 30, 2022. ⁽⁴⁾	16.74% ⁽⁵⁾

Notes:

- (1) The Issuer issued the Common Share purchase warrants (collectively, the “**Warrants**”) upon the conversion of 12.5% unsecured convertible debentures of the Issuer (the “**12.5% Debentures**”) into units of the Issuer (“**Units**”) in accordance with their terms. Each Unit was comprised of one Common Share and one Warrant. The 12.5% Debentures were converted at prices per Unit varying between US\$0.3216 and US\$0.4068.
- (2) Each Warrant is exercisable at a price per Common Share equal to the greater of: (i) US\$1.00; (ii) the volume weighted average price at which the Common Shares have traded on the Canadian Securities Exchange (the “**CSE**”) during the five trading days ending on the date of exercise; and (iii) 110% of the price at which the 12.5% Debentures were converted into Units.
- (3) Closing price of the Common Shares on the CSE on January 14, 2021.
- (4) Each Warrant is exercisable for a period of two years from the date of issuance.
- (5) A director of the Issuer holds and controls an aggregate of 7,677,105 Warrants. Unless the CSE permits, only 4,586,947 of the 7,677,105 Warrants held and controlled by such director may be repriced in accordance with the policies of the CSE.

Pursuant to Policy 6, Section 7.4, Amendments are permitted provided that:

- a) The warrants are not listed for trading;
- b) The exercise price is higher than the current market price;

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- c) No warrants have been exercised in the last 6 months;
- d) At least 10 trading days remain before expiry.

2. Amendment(s)

- a) Extension – amended expiry date: N/A.

The term of a warrant may not extend past the date that would have been allowed on the date of issuance.

- b) Repricing – amended exercise price: US\$1.01 per Common Share.

If the amended price is below the market price of the underlying security at the time the warrants were issued, and following the amendment the exercise price is below the closing price of the underlying security for any 10 consecutive trading days by more than the permitted private placement discount, the term of the warrants must be amended to 30 days. The amended term must be announced by press release and Form 13 and the 30 day term will commence 7 days from the end of the 10 day period. See Policy 6 section 7.4 for details.

3. Amended terms of warrants:

Date Issued	Issue Price	Exercise Price	Market Price of underlying shares	Number of Warrants	Expiry Date	Percentage of Warrant class held by Insiders
Various dates between June 26, 2020 and October 30, 2020	US\$0.3216 to US\$0.4068	US\$1.01	US\$1.01	45,869,475	Various dates between June 26, 2022 and October 30, 2022.	10.0% ⁽¹⁾

Notes:

- (1) Unless the CSE permits, only a maximum of 4,586,947 Warrants held and controlled by a director of the Issuer may be repriced in accordance with the policies of the CSE.

listed Issuers must obtain appropriate corporate approvals prior to any change, modification or amendment of outstanding warrants or other convertible securities (including non-listed securities). The amendment of the terms of a warrant (or other security) may be considered to be the distribution of a new security under securities laws and require exemptions from legislative requirements. Furthermore, the amendment of the terms of a security held by an insider or a related party may be considered to be a related party transaction under Multilateral Instrument 61-101 and require exemptions from provisions of that rule. Issuers should consult legal counsel before amending the terms of a security.

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4. Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in Policy 1).
4. All of the information in this Form 13 Notice of Amendment of Warrant Terms is true.

Dated January 18, 2021.

Christopher S. Polaszek
Name of Director or Senior
Officer

"Christopher S. Polaszek"
Signature

Chief Legal Officer and Corporate
Secretary
Official Capacity