

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)¹

Name of Listed Issuer: Chemistree Technology Inc. (the "Issuer").

Trading Symbol: CHM

Issued and Outstanding Securities of the Issuer Prior to Transaction: 34,222,589

Date of News Release Fully Disclosing the Transaction: July 25, 2018

1. Transaction

Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: Effective July 25, 2018 the Issuer, through a wholly-owned subsidiary, entered into a purchase contract and Escrow Instructions for the purchase of 9.55 acres of fee simple, vacant land in the City of Desert Hot Springs, Riverside County, California. The Vendor of the land is an arms-length party. The land is zoned "I-L" (light industrial) by Desert Hot Springs. The site was annexed in to the Desert Hot Springs Cultivation Zone and city ordinance allows for cannabis cultivation and extraction. All Cannabis Facilities require a Conditional Use Permit and all of the required public hearings, permits, and approvals. All Cannabis Cultivation Facilities are only permitted in the Light Industrial Zoning District, and all Cannabis Sales Facilities (Dispensaries) are only permitted in the Commercial Zoning Districts of the City. The subject site has utilities to the parcel, which is more uncommon in this market area than common.

¹ If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
- (a) Total aggregate consideration in Canadian dollars: \$1,628,616
[USD 1,233,800 converted at C\$1.32] .
 - (b) Cash: USD 1,233,800 .
 - (c) Other: N/A .
 - (d) Work commitments: N/A .
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc). Arms-length negotiations through real-estate broker and directly with vendor
4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: As part of due diligence and negotiations the Issuer commissioned a confidential, "restricted appraisal" from a licensed appraiser. On March 9, 2018, Scott Hall, Inc. provided an appraisal report estimating the market value of the land at USD 1,770,000.
5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: The Issuer has utilized the services of California counsel in its due diligence effort and has contracted The Escrow Connection to deal with title transfer and title insurance matters.
6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A .
 - (b) Cash N/A .
 - (c) Other N/A .

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7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A
8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

2. Development

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

Site Description	
Assessed Value	\$109,514
Total Taxes	\$1,889.36
Land Area	9.55 acres
Shape	Rectangular
Dimensions	680' – Little Morongo 631' – 13 th Avenue
Topography	Level
Zoning	I-L (Light Industrial), Desert Hot Springs C.U.P. required to develop the site; issuance is not difficult but permit is costly ⁴
Utilities (see addenda for location map)	Water: to site Electricity: to site Gas: new gas line along Sewer: to site along Little Morongo Rd.
Flood Zone	“X” – no hazard zone (100-year zone)
Alquist-Priolo Fault Zone	No (but fault zones are nearby; see addenda)
Liquefaction Area	No
Environmental Concerns	None
Contamination Concerns	None
Highest and Best Use	Develop a cannabis growing facility

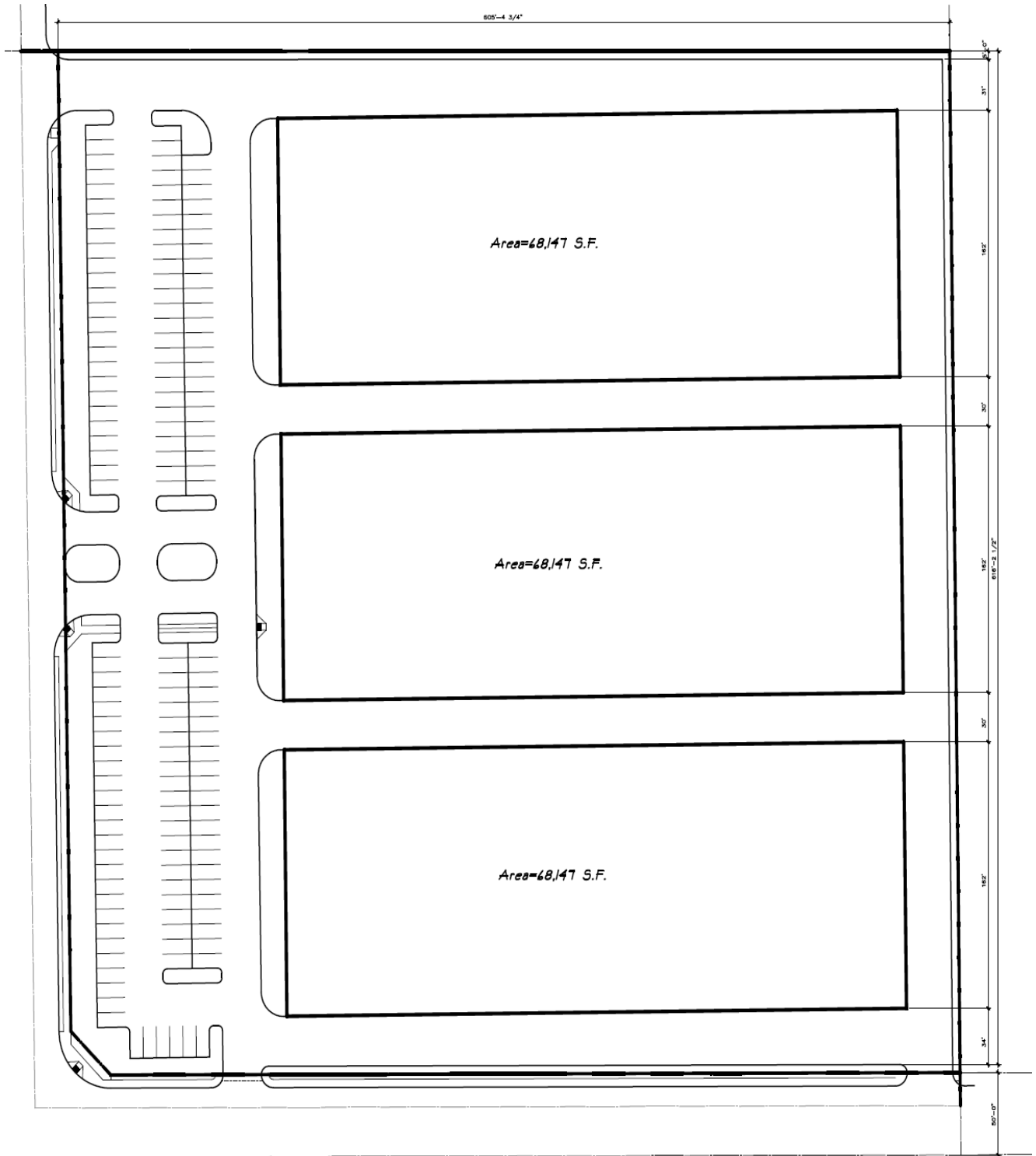
⁴ The fees & permits for a 78,000 SF concrete tilt-up building to the city totaled \$658,000.

The site was annexed in to the Desert Hot Springs Cultivation Zone and city ordinance allows for cannabis cultivation and extraction. All Cannabis Facilities require a

Conditional Use Permit and all of the required public hearings, permits, and approvals. All Cannabis Cultivation Facilities are only permitted in the Light Industrial Zoning District, and all Cannabis Sales Facilities (Dispensaries) are only permitted in the Commercial Zoning Districts of the City.

The subject site has utilities to the parcel, which is more uncommon in this market area than common. A site to the south of the subject was developed and a gas line was extended down Little Morongo Road; a connection for the subject is available.

The Issuer is developing plans and a Conditional Use Permit application for a total of three (3) 68,000 sq. ft cultivation and processing buildings on the site totalling approximately 205,000 sq. ft., together with the required ancillary space for parking, firefighting equipment and site security.



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3. Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated 25 July 2018.

Douglas Ford
Name of Director or Senior
Officer

"signed"
Signature

Chief Financial Officer
Official Capacity