

## FORM 9

### **NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES** **(or securities convertible or exchangeable into listed securities<sup>1</sup>)**

Please complete the following:

Name of Listed Issuer: **Hiku Brands Company Ltd. (the "Issuer")**.

Trading Symbol: **HIKU** .

Date: **March 7, 2018** .

Is this an updating or amending Notice:  Yes  No

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

Issued and Outstanding Securities of Issuer Prior to Issuance:

**131,139,248 common shares in the capital of the Issuer (the "Common Shares")**.

Date of News Release Announcing Private Placement: **March 7, 2018** .

Closing Market Price on Day Preceding the Issuance of the News Release: **\$2.30**.

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

Full Name & Residential Address of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed <sup>(1)</sup>	Payment Date <sup>(2)</sup>	Describe relations -hip to Issuer <sup>(3)</sup>
N/A							

(1) The information in this table is furnished as to the best knowledge of the Issuer. It is noted that the number of securities, directly or indirectly, owned, controlled or directed by a party, is not within the direct knowledge of the Issuer.

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

(3) Indicate if Related Person.

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

1. Total amount of funds to be raised: \_\_\_\_\_ .
2. Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material.

Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: If securities are issued in forgiveness of indebtedness, provide details and attach the debt agreement(s) or other documentation evidencing the debt and the agreement to exchange the debt for securities.

3. Description of securities to be issued:
  - (a) Class \_\_\_\_\_ .
  - (b) Number \_\_\_\_\_ .
  - (c) Price per security \_\_\_\_\_ .
  - (d) Voting rights \_\_\_\_\_ .

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

- (a) Number \_\_\_\_\_ .
  - (b) Number of securities eligible to be purchased on exercise of Warrants (or options) \_\_\_\_\_ .
  - (c) Exercise price \_\_\_\_\_ .
  - (d) Expiry date \_\_\_\_\_ .
4. Provide the following information if debt securities are to be issued:
  - (a) Aggregate principal amount \_\_\_\_\_ .
  - (b) Maturity date \_\_\_\_\_ .
  - (c) Interest rate \_\_\_\_\_ .
  - (d) Conversion terms \_\_\_\_\_ .
  - (e) Default provisions \_\_\_\_\_ .

5. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):
  - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): \_\_\_\_ .
  - (b) Cash \_\_\_\_\_ .
  - (c) Securities \_\_\_\_\_ .
  - (d) Other \_\_\_\_\_ .
  - (e) Expiry date of any options, warrants etc. \_\_\_\_\_ .
  - (f) Exercise price of any options, warrants etc. \_\_\_\_\_ .
  
6. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship  
 \_\_\_\_\_ .
  
7. Describe any unusual particulars of the transaction (i.e. tax "flow through" shares, etc.).  
 \_\_\_\_\_ .
  
8. State whether the private placement will result in a change of control.  
 \_\_\_\_\_ .
  
9. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ .
  
10. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102.

2. Acquisition

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

**On March 6, 2018, the Issuer acquired (the "Acquisition") all of the issued and outstanding shares of TS Prairie Retail Corp. ("TS Prairie") in connection with the cancellation of a license agreement dated as of August 15, 2017 between the Issuer's wholly-owned subsidiary, TS Brandco Holdings Inc., TS Prairie, Jason Drummond and Shawn Dym, pursuant to which TS Prairie was granted a license to open "Tokyo Smoke" branded retail shops in the Provinces of Alberta, Saskatchewan and Manitoba (the "License Agreement").**

2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material:

**The Issuer, TS Prairie and the shareholders of TS Prairie (collectively, the "Vendors") entered into a share purchase agreement on March 6, 2018 (the "Purchase Agreement") providing for the Acquisition. Upon completion of the Acquisition, the Issuer issued an aggregate of 4,200,000 common shares in the capital of the Issuer ("Common Shares") to the Vendors. In connection with the Acquisition, on March 6, 2018 the Issuer, TS Brandco Holdings Inc., TS Prairie, Jason Drummond and Shawn Dym also entered into a termination providing for the termination of the License Agreement.**

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

- (a) Total aggregate consideration in Canadian dollars: \_\_\_\_\_ .
- (b) Cash: \_\_\_\_\_ .
- (c) Securities (including options, warrants etc.) and dollar value: **An aggregate of 4,200,000 Common Shares (the "Consideration Shares" were issued to the Vendors on March 6, 2018. The deemed dollar value of the Consideration Shares was \$9,954,000 based on the closing price of the Common Shares on the Canadian Securities Exchange on March 5, 2018.** \_\_\_\_\_ .

- (d) Other: \_\_\_\_\_ .
- (e) Expiry date of options, warrants, etc. if any: \_\_\_\_\_ .
- (f) Exercise price of options, warrants, etc. if any: \_\_\_\_\_ .
- (g) Work commitments: \_\_\_\_\_ .

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

**The terms of the Purchase Agreement and the Termination Agreement, including the consideration to be paid to the Vendors, was determined by arm's length negotiations between the Vendors and the Issuer.**

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

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

<b>Name of Party (If not an individual, name all insiders of the Party)</b>	<b>Number and Type of Securities to be Issued</b>	<b>Dollar value per Security (CDN\$)</b>	<b>Conversion price (if applicable)</b>	<b>Prospectus Exemption</b>	<b>No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party<sup>(1)(2)</sup></b>	<b>Describe relationship to Issuer<sup>(3)</sup></b>
Green Acre Capital Fund I LP	1,154,549 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	2,930,122 Common Shares	N/A
Kitchener Investment Corp.	1,791,674 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	289,796 Common Shares	N/A
York Plains Investment Corp.	319,575 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A
Tom Carefoot	116,307 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A
Mike Ash	238,767 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A
Jeremy Drummond	160,826 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A

**FORM 9 – NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES**

				<i>Exemptions</i>		
Matt Pinch	278,533 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A
Greg Hooker	116,307 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A
Mark Vasey	21,474 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A
Craig Van Eyck	1,988 Common Shares	\$2.37 <sup>(4)</sup>	N/A	Section 2.16 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	Nil	N/A

(1) The information in this table is furnished as to the best knowledge of the Issuer. It is noted that in some cases, certain information, including the insiders of a party and the number of securities, directly or indirectly, owned, controlled or directed by a party, is not within the direct knowledge of the Issuer.

(2) Does not include Common Shares issuable pursuant to the Acquisition.

(3) Indicate if Related Person.

(4) The deemed price per Common Share is equal to the closing price of the Common Shares on the Canadian Securities Exchange on March 5, 2018.

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired:

**The Purchase Agreement provides comprehensive representations and warranties concerning the transaction and the assets and shares of TS Prairie. The Issuer has also completed a due diligence investigation of TS Prairie.**

8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):

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**FORM 9 – NOTICE OF PROPOSED ISSUANCE OF  
LISTED SECURITIES**

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): \_\_\_\_\_  
\_\_\_\_\_.
- (b) Cash \_\_\_\_\_.
- (c) Securities \_\_\_\_\_.
- (d) Other \_\_\_\_\_.
- (e) Expiry date of any options, warrants etc. \_\_\_\_\_.
- (f) Exercise price of any options, warrants etc. \_\_\_\_\_.
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

### **Certificate Of Compliance**


The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to 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 CSE Policy 1).
4. All of the information in this Form 9 Notice of Issuance of Securities is true.



Dated: March 7, 2018.

Alan Gertner  
Name of Director or Senior  
Officer

  
Signature

Chief Executive Officer  
Official Capacity