

FORM 9

NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES (or securities convertible or exchangeable into listed securities¹)

Please complete the following:

Name of Listed Issuer: **Benchmark Botanics Inc.** (the "Issuer").

Trading Symbol: **BBT**

Date: **April 10, 2018**

Is this an updating or amending Notice: Yes **No**

If yes provide date(s) of prior Notices: **N/A**.

Issued and Outstanding Securities of Issuer Prior to Issuance: **137,234,080** .

Date of News Release Announcing Private Placement: **N/A**

Closing Market Price on Day Preceding the Issuance of the News Release: **\$1.57 (Halted)**

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	Payment Date(1)	Describe relations -hip to Issuer (2)
<u>N/A</u>							

- (1) 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.
- (2) Indicate if Related Person.

¹An 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: **N/A**
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. **N/A**
3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: **N/A**
4. 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.
5. Description of securities to be issued:
 - (a) Class **N/A**
 - (b) Number **N/A**
 - (c) Price per security **N/A**
 - (d) Voting rights **N/A**
6. Provide the following information if Warrants, (options) or other convertible securities are to be issued:
 - (a) Number **N/A**
 - (b) Number of securities eligible to be purchased on exercise of Warrants (or options) **N/A**
 - (c) Exercise price **N/A**
 - (d) Expiry date **N/A**
7. Provide the following information if debt securities are to be issued:
 - (a) Aggregate principal amount **N/A**

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- (b) Maturity date N/A
 - (c) Interest rate N/A
 - (d) Conversion terms N/A

 - (e) Default provisions N/A
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 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): N/A
 - (b) Cash N/A
 - (c) Securities N/A
 - (d) Other N/A
 - (e) Expiry date of any options, warrants etc. N/A.
 - (f) Exercise price of any options, warrants etc. N/A
9. 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 N/A
10. Describe any unusual particulars of the transaction (i.e. tax "flow through" shares, etc.).
N/A
11. State whether the private placement will result in a change of control.
N/A
12. 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. N/A

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13. 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: **An interest of 26% of the shares of 1139000 B.C. Ltd. ("1139") on the terms and conditions set out below.**
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 has, together with its wholly-owned subsidiary, Potanicals Green Growers Inc. ("Potanicals"), entered into a binding letter agreement (the "Agreement") with 1139 for the acquisition, ownership, and development of licensed cultivation of cannabis for medical purposes on approximately 4 acres of greenhouse operations to be located in Pitt Meadows, British Columbia, and the climate controlled glass greenhouses with automated greenhouse operating systems used in the cultivation of medical marijuana, located thereon (the "Property").**

Pursuant to the Agreement, the Issuer will have the right to acquire from 1139 and existing shareholders of 1139, 51% or more of the Property through a joint venture with 1139 (the "Joint Venture"). Under the Joint Venture, for its initial 75% interest, 1139 shall purchase the Property for a purchase price of approximately CDN\$6.2 million, and the Property will be held in trust by 1139 (the "Bare Trustee") as bare trustee for the Joint Venture; and Property includes climate controlled glass greenhouses with automated greenhouse operating systems to be used under the Joint Venture for licensed medical cannabis cultivation for sale through Potanicals' distribution channels. 1139 will also, at its own cost and expense under the Joint Venture, develop, renovate and upgrade the land and buildings of the Property (the "Upgrades") as necessary in order for Potanicals to extend its license from Health Canada for cultivation and production of medical cannabis under the Access to Cannabis for Medical Purposes Regulations ("ACMPR"). As consideration for its initial 25% interest in the Joint Venture, Potanicals will apply to Health Canada to extend its license (the "License Extension") from Health Canada under the ACMPR. Potanicals will be solely responsible for overseeing and coordinating all activities needed to obtain Health Canada's approval of the

License Extension. Potanicals intends to supply tissue culture grown cannabis clone plants and will oversee and coordinate sales and distribution of medical cannabis product produced at the Property to strive for maximum sales and product prices to achieve the greatest net profits for the Joint Venture.

Upon acquisition of the Property registered in the name of the Bare Trustee, 1139 will issue such number of its common shares as is equal to 25% of its issued and outstanding common shares to the Issuer or its nominee Potanicals, which shares shall vest upon Health Canada's approval of the License Extension.

Once at least 80% of the approximately 4 acres of greenhouse growing facilities are operational, utilized for licensed growing of cannabis, the Issuer and/or its nominee will have the option to acquire an additional 26% of the issued and outstanding common shares of 1139 (to increase the Issuer's Joint Venture ownership to 51%) for a purchase price (the "Purchase Price") equal to 26% of the valuation of the Joint Venture as determined by a chartered valuator. The payment of the Purchase Price will be satisfied by exchange of common shares of the Issuer at the then applicable market price in exchange for the transfer of 26% of the issued and outstanding common shares of 1139 from existing shareholders of 1139 subject to compliance with the requirements of the Canadian Securities Exchange (the "Exchange") and applicable securities laws.

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: The aggregate consideration is unknown at this time. Such amount will equal 26% of the valuation of the Joint Venture as determined by a chartered valuator at the time at which 80% of the approximately 4 acres of greenhouse growing facilities on the Property are operational and utilized for licensed growing of cannabis.
 - (b) Cash: N/A
 - (c) Securities (including options, warrants etc.) and dollar value: Consideration for the acquisition will consist solely of common shares of the Issuer. The number of common shares of the Issuer that will be issued as the consideration is unknown at this time, but will be equal to a number consisting of a fraction with the aggregate consideration calculated in accordance with 3(a) above as the numerator and the then

applicable market price of the common shares of the Issuer as the denominator.

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

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).

Valuation of the Joint Venture will be determined by a chartered valuator at the time at which 80% of the approximately 4 acres of greenhouse growing facilities on the Property are operational and utilized for licensed growing of cannabis.

- 5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: **See 4 above.**
- 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:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾
<u>M. Wei</u>	<u>Unknown</u>	<u>Unknown</u>	<u>N/A</u>	<u>s. 2.16 of Ni 45-106 [Take-over bid and issuer bid]</u>	<u>Unknown</u>	<u>Not a Related Person</u>

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: **Prior to the acquisition, the Issuer will be**

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in receipt of all title documents reflecting ownership of the Property by 1139.

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.):
 - (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): **N/A**
 - (b) Cash **N/A**
 - (c) Securities **N/A**
 - (d) Other **N/A**
 - (e) Expiry date of any options, warrants etc. **N/A**
 - (f) Exercise price of any options, warrants etc. **N/A**

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. **N/A**

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. **Pursuant to the Agreement, the Issuer will have previously acquired its fully vested 25% interest in 1139 upon Health Canada's approval of the License Extension.**

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

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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 April 12, 2018.

Ping Zhang
Name of Director or Senior
Officer

"Ping Zhang"
Signature

Chief Executive Officer
Official Capacity