

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: Gabriella's Kitchen Inc. (the "Issuer").

Trading Symbol: GABY

Date: April 2, 2019

Is this an updating or amending Notice: Yes

If yes provide date(s) of prior Notices: October 23, 2018

Issued and Outstanding Securities of Issuer Prior to Issuance: 91,864,583

Date of News Release Announcing Private Placement: October 23, 2018

Closing Market Price on Day Preceding the Issuance of the News Release: \$0.45

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 relationship to Issuer (2)

- (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. N/A
5. Description of securities to be issued: N/A
 - (a) Class _____ .
 - (b) Number _____ .
 - (c) Price per security _____ .
 - (d) Voting rights _____ .
6. Provide the following information if Warrants, (options) or other convertible securities are to be issued: N/A
 - (a) Number _____ .
 - (b) Number of securities eligible to be purchased on exercise of Warrants (or options) _____ .
 - (c) Exercise price _____ .
 - (d) Expiry date _____ .
7. Provide the following information if debt securities are to be issued: N/A
 - (a) Aggregate principal amount _____ .
 - (b) Maturity date _____ .
 - (c) Interest rate _____ .
 - (d) Conversion terms _____ .
 - (e) Default provisions _____ .

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.): N/A
 - (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. _____ .
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
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. N/A

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:

Gabriella's Kitchen ("GABY") closed the acquisition of all of the issued and outstanding shares of Sonoma Pacific Distribution, Inc. ("Sonoma Pacific"), an independently owned cannabis distribution and marketing company in California, United States, pursuant to a share purchase agreement dated April 1, 2019 (the "Purchase Agreement"). Sonoma holds a distribution license for the State of California, issued by the Bureau of Cannabis Control.

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

Pursuant to the Purchase Agreement, Aaron Browe, (the "Seller"), as the sole shareholder of Sonoma Pacific, will be entitled to receive up to 17,250,000 common shares in the capital of GABY ("GABY Shares") at a deemed price of \$0.4148 per GABY Share. The GABY Shares have been issued into escrow and the number of GABY Shares equal to 1.0x the verifiable licensed revenue of Sonoma Pacific for the fiscal year ended December 31, 2018 (the "2018 Revenue") will be released from escrow to the Seller subject to a three-year escrow release schedule from the date of issuance pursuant to which the GABY Shares held in escrow and releasable will be released to the Seller in equal tranches every six months comprised of 15% of the GABY Shares until the final tranche which shall be equal to 10% of the GABY Shares. Any GABY Shares remaining in escrow following the release to the Seller will be returned to treasury for cancellation. The Seller will be further entitled to an earn-out equal to 0.35x the difference between the 2018 Revenue and the verifiable licensed revenue of Sonoma Pacific realized as at December 31, 2019 (the "Earn-Out"). The earn-out will be paid in additional GABY Shares at a price that is equal to GABY's volume weighted average price ("VWAP") for the 20-day period ending on the day following the public release of the consolidated Sonoma Pacific and GABY fiscal 2019 year-end financial statements.

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: **As per Item 2 above, the total aggregate consideration payable is up to \$7,155,300, not inclusive of the Earn-Out consideration.**
 - (b) Cash: N/A
 - (c) Securities (including options, warrants etc.) and dollar value: **As per Item 2 above, the Seller will receive up to 17,250,000 GABY Shares for aggregate consideration of \$7,155,300, not inclusive of the Earn-Out.**
As part of the transaction, Mr. Aaron Browe, Founder and President of Sonoma Pacific will join GABY as the Executive Vice-President and General Manager of GABY's cannabis operations.
 - (d) Other: N/A
 - (e) Expiry date of options, warrants, etc. if any:
 - (f) Exercise price of options, warrants, etc. if any:
 - (g) Work commitments: N/A

- 3. 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 purchase price was determined based on arm's-length negotiation between GABY and Sonoma Pacific. The transaction was approved by the board of directors of GABY.**
- 4. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: **The purchase price is based on verifiable revenue of Sonoma Pacific. Please see Item 2 above for additional details.**
- 5. 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⁾
Aaron Browe	See Item 2	\$0.4148	N/A	N/A	N/A	Not a Related Person but Sonoma Pacific and Aaron Browe have been providing consulting services to GABY.

(1) Indicate if Related Person

- 6. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: **Pursuant to the terms of the Purchase Agreement between GABY and Sonoma Pacific, Sonoma Pacific has certain customary representations and warranties.**
- 7. 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.): N/A
 - (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

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- (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

8. 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. **As above, as part of the transaction, Mr. Aaron Browe, Founder and President of Sonoma Pacific will join GABY as the Executive Vice-President and General Manager of GABY's cannabis operations.**
9. 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.
N/A

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 April 2, 2019.

Leanne E. Likness
Name of Director or Senior Officer

"Leanne Likness"
Signature

Corporate Secretary
Official Capacity