

FORM 10

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

Name of Listed Issuer: **Liberty Health Sciences Inc.** (the "Issuer").

Trading Symbol: **LHS**

Issued and Outstanding Securities of the Issuer Prior to Transaction: **345,290,635
Common Shares**

Date of News Release Fully Disclosing the Transaction: **August 19, 2019**

1. Transaction

1. 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: ***The Issuer announced the sale, via its subsidiaries, of certain of its assets in Florida and substantially all of its assets in Ohio, in a transaction that closed August 19, 2019.***

The Issuer is selling 36 acres of land, comprising its Chestnut Hill Tree Farm site in Alachua County, Florida, as well as all of its assets in Ohio, for an aggregate total of for US\$14,750,000 to an arm's length purchaser.

In Florida, the Chestnut Hill Tree Farm site includes greenhouses comprising a total grow space of approximately 21,600 square feet, as well as various other structures totaling approximately 23,300 square feet and certain personal property located on the site (the "Florida Property").

In Ohio, the assets consist of the sale of 50.0% of the Issuer's indirect 50.1% interests in each of three joint ventures, including a dispensary license operating under the trade name "Mad River Remedies" and a provisional processing license (the "Ohio Assets").

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: **\$19,614,550²**

(b) Cash: **\$19,614,550**

(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).

Arm's-length negotiation.

4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer:

With respect to each of the Florida Property and the Ohio Assets, the Issuer considered additional offers for each, as well as conducting an internal analysis in respect of the Ohio Assets.

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: **N/A**

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.): **None.**

(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): _____

(b) Cash _____

(c) Other _____

² Note: calculated using the sale price of US \$14,750,000 converted to Canadian \$ using the Bank of Canada exchange rate for August 14, 2019 of \$1.3298 Cdn / \$1.00 US.

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: **N/A**

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 August 19, 2019.

Victor Mancebo
Name of Director or Senior
Officer

"Victor Mancebo"
Signature

Interim Chief Executive Officer
Official Capacity