

FORM 9

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

Name of Listed Issuer: **The Delma Group Inc. (the “Issuer” or “Delma”)**

Trading Symbol: **CSE:DLMA**

Date: **July 26, 2018**

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

Issued and Outstanding Securities of Issuer Prior to Issuance: **8,550,622 Class A common shares.**

Date of News Release Announcing Private Placement: **July 26, 2018**

Closing Market Price on Day Preceding the Issuance of the News Release: **\$6.7500**

1. Private Placement

Full Name & Residential Address of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed	Payment Date	Describe relations-hip to Issuer
Lupa Real Estate Corporation Inc. (100-640 av. Orly, Dorval, QC, H9P 1E9)	266,299	\$6	2.12 NI 45-106	0	July 26, 2018	Arm's Length

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.

Please see section 2.

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer:

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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:

- (a) Class **A**.
- (b) Number **ISIN CA24703Y1051**.
- (c) Price per security **\$6**.
- (d) Voting rights **common shares**.

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

N/A

7. Provide the following information if debt securities are to be issued:

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.):

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.).

Please see section 2 for more information about the transaction.

11. State whether the private placement will result in a change of control.

This private placement will not result in a change of control.

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.

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:*

The Issuer will acquire real estate assets located in Quebec, Canada by acquiring the shares of the holding companies that own those assets. The Issuer will acquire 100% of the issued and outstanding shares of the following privately held corporations and the following debts in consideration of the issuance of class A common shares in the capital of the Issuer:

- **9203-5849 Quebec Inc. (“5849”);**
- **9307-9077 Quebec Inc. (“9077”);**

(Hereinafter collectively the “Acquired Companies”)

- **A debt in the amount of \$1,460,336.62 due by 5849 to Lupa Real Estate Corporation Inc.;**
- **A debt in the amount of \$137,458.96 due by 9077 to Lupa Real Estate Corporation Inc.**

5849 and 9077 are wholly-owned by Lupa Real Estate Corporation Inc., a company controlled by Les Consultants Luric Inc., a company controlled by Mr. Giampiero Ricciardi.

5849 holds the following assets:

- **610-650, Orly Avenue, Dorval, Quebec, H9P 1E9;**
- **1124, Place Verner, Laval, Quebec, H7E 4P2.**

9077 holds the following assets:

- 9920-9924, Saint-Laurent Boulevard, Montreal, Quebec, H3L 2N7.

Following the acquisition of the Acquired Companies by the Issuer, Delma Real Estate Corporation (“DREC”), a wholly-owned subsidiary of the Issuer, will purchase 100% of the shares in the capital of the Acquired Companies by virtue of a roll-over transaction under section 85(1) of the *Income Tax Act* (Canada) and the equivalent section of the *Taxation Act* (Quebec).

For more information about the transaction, please see subsection 2.

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 full price of the acquisition is to be paid with the issuance of 266,299 class A common shares in the capital of the Issuer to Lupa Real Estate Corporation Inc. (“Lupa”).

Lupa owns 100% of the issued and outstanding shares of each of the Acquired Companies and it is intended that the Issuer purchase 100% of those shares.

In addition, the Issuer will assume the following debts of the Acquired Companies as part of the Transaction:

- As part of the acquisition of the 5849 shares held by Lupa, a debt in the amount of \$1,460,336.62; and
- As part of the acquisition of the 9077 shares held by Lupa, a debt in the amount of \$137,458.96.

The transaction was structured as a roll-over transaction for tax purposes. No finder’s fee will be paid in this private placement.

This operation is governed by eight (8) different Agreements:

- Share Purchase Agreement between Lupa and the Issuer dated July 26, 2018;
- Assignment Agreement between Lupa and the Issuer and to which intervenes 5849 dated July 26, 2018;

- Share Purchase Agreement between the Issuer and DREC dated July 26, 2018;
- Assignment Agreement between the Issuer and DREC and to which intervenes 5849 dated July 26, 2018;
- Share Purchase Agreement between Lupa and the Issuer dated July 26, 2018;
- Assignment Agreement between Lupa and the Issuer and to which intervenes 9077 dated July 26, 2018;
- Share Purchase Agreement between the Issuer and DREC dated July 26, 2018; and
- Assignment Agreement between the Issuer and DREC and to which intervenes 9077 dated July 26, 2018.

The parties have agreed that, subject to regulatory procedures and approvals, the closing will be held on July 26, 2018 (the “Date of Closing”).

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:* **\$1,597,794.**
 - (b) *Cash:* **\$1 for the shares of 5849 and \$1 for the shares of 9077.**
 - (c) *Securities (including options, warrants etc.) and dollar value:*
\$1,597,794.
 - (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).*

The transaction is made at fair market value, supported by independent appraisals.

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

Independent appraisal has been obtained prior to the transaction.

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\$)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾
Lupa Real Estate Corporation Inc. (Insiders : Giampiero Ricciardi)	266,299	6	2.12 NI 45-106	0	Arm's Length

(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:

Due diligence has been conducted to ensure that the vendor has good title to the assets being acquired.

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**.

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- (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. **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: July 26, 2018

Henri Petit
Name of Director or Senior
Officer

"Henri Petit"
Signature

Director and Secretary
Official Capacity