# FORM 7

# MONTHLY PROGRESS REPORT

# For May 2018

Name of Listed Issuer: <u>Liberty Health Sciences Inc. (formerly. SecureCom</u> <u>Mobile Inc.) (the "Issuer" or "Company").</u>

Trading Symbol: LHS

Number of Outstanding Listed Securities: <u>328,914,223 common shares</u>

Date: June 5, 2018

## **Report on Business**

**1.** Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

On May 10<sup>th</sup>, the Company announced the closing of its short form prospectus offering, on a bought deal basis, including the exercise in full of the underwriters' over-allotment option. A total of 25,555,875 units (the "Units") of the Company were sold at a price of \$0.90 per Unit, for aggregate gross proceeds of \$23,000,287.50 (the "Offering"). Each Unit consisted of one common share of the Company (a "Unit Share") and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share of the Company (a "Warrant Share") at a price of \$1.10 until May 10, 2020. The net proceeds from the Offering are expected to be used to partially fund the Company's acquisition of a 75% ownership interest in Massachusetts-based William Noyes Webster Foundation, Inc., including the related build-out of a cultivation facility and dispensary, with the balance for general working capital purposes.

On May 10th, after receiving approval from the Florida Department of Health, Office of Medical Marijuana Use, opened a Cannabis Education Center dispensary in St. Petersburg, Florida.

On May 11th, the Company announced that it had entered into an exclusive licensing agreement with Aphria Inc. wherein Liberty would market the "Solei" brand in Florida and Massachusetts.

On May 15<sup>th</sup>, the Company announced that Ms. Stephanie Kubacki joined Liberty as V.P. Marketing. Ms. Kubacki has extensive branding experience and will join Liberty June 1, 2018.

On May 18<sup>th</sup>, the Company announced that it had teamed up with Mr. Solomon Wilcots, the current NFL broadcaster and former NFL player, to promote the benefits of medical cannabis for individuals with sports injuries.

On May 18th, after receiving approval from the Florida Department of Health, Office of Medical Marijuana Use, opened a Cannabis Education Center dispensary in a private hospital that sees an estimated 15,000 patients annually in the Tampa area.

On May 25th, the Company announced that it had entered into an exclusive licensing agreement with Colorado-based MM Technology Holdings, LLC to bring its Mary's Medicinals cannabis products to the Massachusetts market. Under the agreement, Liberty will produce and distribute a suite of products from Mary's under license in the State of Massachusetts to further optimize patient care. The agreement is subject to approval by the Commonwealth of Massachusetts, Medical Use of Marijuana Program.

On May 30th, the Company announced that it had entered into an exclusive licensing agreement with Isodiol International Inc. to produce and distribute Isodiol's line of wellness products in Florida and Massachusetts. The agreement is subject to all required approvals by the Florida Department of Health, Office of Medical Marijuana Use and the Commonwealth of Massachusetts, Medical Use of Marijuana Program.

On May 31st, after receiving approval from the Florida Department of Health, Office of Medical Marijuana Use, opened a Cannabis Education Center dispensary in Port St. Lucie, Florida.

The Company intends to continue to look at strategic avenues for growth including, but not limited to, evaluating targets for expansion in key U.S. states that have approved medical use of marijuana and meet its stringent investment criteria.

2. Provide a general overview and discussion of the activities of management.

In Florida, in addition to overseeing the retrofit activities at Liberty 360, Management continues to seek potential dispensary sites.

In Massachusetts, Management is working closely with its partner to identify potential dispensary locations and future cultivation options prior to closing the transaction. Closing is still expected before the end of June.

**3.** Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

The Company will commence marketing the Solei brand from Aphria Inc. as well as the Isodiol product line from Isodiol International Inc. in Florida. The Company will market the Mary's medicinal brand in Massachusetts under a licensing agreement with MM Technologies Holdings, LLC. In all cases, the respective state departments overseeing the cannabis programs will need to approve the products in questions. In the case of Mary's products, the Florida Department of Health has already approved the production and sale of that product by Liberty for that state.

4. Describe and provide details of any products or services that were discontinued.

For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

## None to report in the month of May.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

### See # 3 above.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

## None to report in the month of May.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

## None to report in the month of May.

8. Describe the acquisition of new customers or loss of customers.

The Company continues to grow its number of patients as the overall Florida market increases in terms of registered patients.

**9.** Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

#### See # 3 above.

**10.** Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

The Company continues to add personnel in the areas of patient care and product deliveries in the Florida operations as well as dispensaries with the expected opening of additional dispensaries over the next 90-120 days.

There were no significant terminations or lay-offs in the month of May.

**11.** Report on any labour disputes and resolutions of those disputes if applicable.

## None to report in the month of May.

**12.** Describe and provide details of legal proceedings to which the Issuer became a

party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

# None to report in the month of May.

**13.** Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

## No new debt to report for the month of May.

**14.** Provide details of any securities issued and options or warrants granted.

The Company closed its short form prospectus offering, on a bought deal basis, including the exercise in full of the underwriters' over-allotment option in the month. A total of 25,555,875 units (the "Units") of the Company were sold at a price of \$0.90 per Unit. Each Unit consisted of one common share of the Company (a "Unit Share") and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share of the Company (a "Warrant Share") at a price of \$1.10 until May 10, 2020.

**15.** Provide details of any loans to or by Related Persons.

## None to report in the month of May.

**16.** Provide details of any changes in directors, officers or committee members.

## None to report in the month of May.

**17.** Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

There were no significant change in trends and risks in the month of May which are likely to impact the Company during the period.

# **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 best of the undersigned's knowledge and belief, as of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
- 3. The undersigned hereby certifies to the Exchange that, to the best of the undersigned's knowledge and belief, the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
- 4. To the best of the undersigned's knowledge and belief, all of the information in this Form 7 Monthly Progress Report is true.

Dated June 5, 2018

Rene Gulliver Name of Director or Senior Officer

<u>"Rene Gulliver"</u> Signature

CFO

Official Capacity

<i>Issuer Details</i> Name of Issuer Liberty Health Sciences Inc. (formerly, SecureCom Mobile Inc.)	For Month End May 31, 2018	Date of Report YY/MM/DD 18/06/05
Issuer Address 35 McCaul Street, 2 <sup>nd</sup> Floor		
City/Province/Postal Code Toronto, ON M5T 1V7	Issuer Fax No.	Issuer Telephone No.
Contact Name Rene Gulliver	Contact Position CFO	Contact Telephone 416-884-0791
Contact Email Address rgulliver@libertyhealthsciences.com	Web Site Address https://libertyhealthsciences.com/	