

## FORM 9

### **NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES** **(or securities convertible or exchangeable into listed securities<sup>1</sup>)**

Please complete the following:

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

Trading Symbol: LHS.

Date: July 20, 2017.

Is this an updating or amending Notice:  Yes  No

If yes provide date(s) of prior Notices: \_\_\_\_\_.

Issued and Outstanding Securities of Issuer Prior to Issuance: 229,293,659.

Date of News Release Announcing Private Placement: April 4, 2017.

Closing Market Price on Day Preceding the Issuance of the News Release: N/A.

**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)**

See attached spreadsheet.

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.

<sup>1</sup>An 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: \$34,149,997.23 .
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. A portion of the proceeds were used to fund the Acquisition (as defined below) with the balance being held in escrow in accordance with the terms of a subscription receipt agreement between the Issuer, TSX Trust (as receipt agent) and the subscribers under the offering. Balance of proceeds to be used for strategic initiatives and expansion following closing of the Business Combination.
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:
- (a) Class Subscription Receipts convertible into Common Shares .
- (b) Number 54,727,562 (taking into account 3 to 1 consolidation and individual rounding) .
- (c) Price per security \$0.624 (taking into account 3 to 1 consolidation) .
- (d) Voting rights None (one vote per Common Share upon conversion)
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 .
- (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):  
Clarus Securities Inc. 130 King St. West, Suite 3640, Toronto, ON M5X 1A9 .
- (b) Cash \$1,869,000.02 .
- (c) Securities 2,995,191 Broker Warrants (taking into account the 3 to 1 consolidation) .
- (d) Other N/A .
- (e) Expiry date of any options, warrants etc. April 27, 2019 .
- (f) Exercise price of any options, warrants etc. \$0.624 (taking into account 3 to 1 consolidation) .
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
- Not a Related Person
10. Describe any unusual particulars of the transaction (i.e. tax "flow through" shares, etc.).

Sub receipt offering

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

No

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:

On March 30, 2017, DFMMJ Investments, LLC ("AcquireCo") and Chestnut entered into the Acquisition Agreement pursuant to which AcquireCo agreed to acquire (the "Acquisition"), and Chestnut Hill Tree Farm LLC ("Chestnut") agreed to sell, all or substantially all of the assets of Chestnut, the principal asset of which consists of the License issued by the Florida Department of Health, Office of Compassionate Use under the provisions of the *Compassionate Medical Cannabis Act of 2014*. The License permits Chestnut to operate as a "dispensing organization" under applicable Florida law and to possess, cultivate, process, dispense and sell medical marijuana in the State of Florida.

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 Acquisition between AcquireCo and Chestnut was completed on May 19, 2017 in accordance with the terms of the Acquisition Agreement and related amendments.

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: US\$40,000,000  
(equal to ~\$50,525,000) .
- (b) Cash: Full amount .
- (c) Securities (including options, warrants etc.) and dollar value: N/A  
\_\_\_\_\_ .
- (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).  
  
Arm's length negotiation.
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: N/A  
\_\_\_\_\_ .
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: \_\_\_\_\_ N/A

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 <sup>(1)</sup>

(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: 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 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): \_\_\_\_\_

(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 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 20, 2017\_\_\_\_\_.

Rene Gulliver  
Name of Director or Senior  
Officer

(Signed) "Rene Gulliver"  
Signature

Chief Financial Officer  
Official Capacity

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 <sup>(1)</sup>	Describe relationship to Issuer <sup>(2)</sup>
Rene Gulliver	ON	400,643	\$0.624	N/A	Accredited Investor	400,643	27-Apr-17	Yes
Jamie Mastronardi	ON	320,513	\$0.624	N/A	Accredited Investor	320,513	27-Apr-17	
RMO Holdings Ltd.	ON	320,513	\$0.624	N/A	Accredited Investor	320,513	27-Apr-17	
Vic Neufeld	ON	280,451	\$0.624	N/A	Accredited Investor	280,451	27-Apr-17	Yes
Ercole Cacciavillani	ON	240,387	\$0.624	N/A	Accredited Investor	240,387	27-Apr-17	
Fulfill Holdings Inc.	ON	240,387	\$0.624	N/A	Accredited Investor	240,387	27-Apr-17	
Deanne Cervini	ON	240,387	\$0.624	N/A	Accredited Investor	240,387	27-Apr-17	
Nina Cacciavillani	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Arlene Dickinson	AB	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Rob Kozlov	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Mary Jo Camboia	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Domenic Mastronardi	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Bob Dent	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Bob Kipping	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
George Scorsis	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	Yes
Phil Hildebrand	MB	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Julie DiSchiavio	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
JAG World Wide Imports / Tony Dimenna	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17	
Rob Petroni	ON	80,127	\$0.624	N/A	Accredited Investor	80,127	27-Apr-17	
Rob Petroni	ON	80,130	\$0.624	N/A	Accredited Investor	80,130	27-Apr-17	



Dennis Staudt	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Carl Merton	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Gregg Battersby	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Dave Janik	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Megan McCrae	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Ray Merton	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Robert Neufeld	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Victoria Neufeld	ON	80,063	\$0.624	N/A	Accredited Investor	80,063	27-Apr-17	
John Aird	ON	40,067	\$0.624	N/A	Accredited Investor	40,067	27-Apr-17	
Christopher Shaloub	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
Frederick Rabb	ON	80,133	\$0.624	N/A	Accredited Investor	80,133	27-Apr-17	
MICHAEL SERRUYA	ON	6,769,231	\$0.624	N/A	Accredited Investor	6,769,231	27-Apr-17	
SIMON SERRUYA	ON	8,455,118	\$0.624	N/A	Accredited Investor	8,455,118	27-Apr-17	
AARON N SERRUYA	ON	988,782	\$0.624	N/A	Accredited Investor	988,782	27-Apr-17	
CLARA SERRUYA	ON	254,808	\$0.624	N/A	Accredited Investor	254,808	27-Apr-17	
ASHLEY SERRUYA	ON	118,590	\$0.624	N/A	Accredited Investor	118,590	27-Apr-17	
CLAIRE SERRUYA	ON	118,590	\$0.624	N/A	Accredited Investor	118,590	27-Apr-17	
AARON SERRUYA	ON	7,227,564	\$0.624	N/A	Accredited Investor	7,227,564	27-Apr-17	
SAMUEL SERRUYA	ON	105,769	\$0.624	N/A	Accredited Investor	105,769	27-Apr-17	
FRANK HERSCH / LOGIQ CAPITAL 2016	ON	9,615,383	\$0.624	N/A	Accredited Investor	10,448,716	27-Apr-17	Yes
DELAVACO HOLDINGS INC.	ON	240,388	\$0.624	N/A	Accredited Investor	5,573,721	27-Apr-17	
DEFRANCESCO MOTORSPORTS INC.	ON	80,128	\$0.624	N/A	Accredited Investor	880,128	27-Apr-17	
NAMASTE GORGIE INC.	ON	160,257	\$0.624	N/A	Accredited Investor	5,193,590	27-Apr-17	

CATHERINE DEFRANCESCO ITF SUMMER DEFRANCESCO	ON	40,064	\$0.624	N/A	Accredited Investor	1,373,397	27-Apr-17
CATHERINE DEFRANCESCO ITF DEVLIN DEFRANCESCO	ON	40,064	\$0.624	N/A	Accredited Investor	1,373,397	27-Apr-17
CATHERINE DEFRANCESCO ITF AVA DEFRANCESCO	ON	40,064	\$0.624	N/A	Accredited Investor	1,373,397	27-Apr-17
CATHERINE DEFRANCESCO ITF LACHLAN DEFRANCESCO	ON	40,064	\$0.624	N/A	Accredited Investor	1,373,397	27-Apr-17
CURTIS CUSINATO ITF CONNELL CUSINATO	ON	20,032	\$0.624	N/A	Accredited Investor	120,032	27-Apr-17
CURTIS CUSINATO ITF CRISTOPHER CUSINATO	ON	20,032	\$0.624	N/A	Accredited Investor	120,032	27-Apr-17
CURTIS CUSINATO ITF CAROLINE CUSINATO	ON	20,032	\$0.624	N/A	Accredited Investor	120,032	27-Apr-17
CURTIS CUSINATO ITF CALLUM CUSINATO	ON	20,032	\$0.624	N/A	Accredited Investor	120,032	27-Apr-17
CATHERINE DEFRANCESCO / MARCANDY INVESTMENTS CORP.	ON	801,287	\$0.624	N/A	Accredited Investor	801,287	27-Apr-17
RESY MUZZO & MARC MUZZO	ON	1,602,567	\$0.624	N/A	Accredited Investor	1,602,567	27-Apr-17
MICHAEL GODSOE / GODSOE FINANCIAL CAPITAL LTD	ON	80,130	\$0.624	N/A	Accredited Investor	80,130	27-Apr-17
JOHANN LAU / SPROTT ASSET MANAGEMENT L.P.	ON	1,201,923	\$0.624	N/A	Accredited Investor	1,201,923	27-Apr-17
TERRY ALEXANDER / BALES HOLDING CORP.	ON	120,192	\$0.624	N/A	Accredited Investor	120,192	27-Apr-17
SCOTT DEXTER / HRD TRUST	ON	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
CURTIS POPE / 2118278 ONTARIO LTD	ON	504,807	\$0.624	N/A	Accredited Investor	504,807	27-Apr-17
NICK ORLANDO	ON	29,553	\$0.624	N/A	Accredited Investor	29,553	27-Apr-17
JOE PULLA / NICKLEN LOGISTICS	ON	83,333	\$0.624	N/A	Accredited Investor	83,333	27-Apr-17
DAN BRUNO / DB CELESTE INVESTMENTS INC.	ON	41,667	\$0.624	N/A	Accredited Investor	41,667	27-Apr-17
BRIAN VYNER	ON	200,000	\$0.624	N/A	Accredited Investor	200,000	27-Apr-17

MARC HYATT / HYATT HOLDINGS INC.	ON	80,000	\$0.624	N/A	Accredited Investor	80,000	27-Apr-17
ROBERT HALPERN	ON	166,667	\$0.624	N/A	Accredited Investor	166,667	27-Apr-17
ALBERT IMBRAGNO / CANAMERICA CAPITAL CORP	ON	80,000	\$0.624	N/A	Accredited Investor	80,000	27-Apr-17
PAUL KANIA	ON	13,333	\$0.624	N/A	Accredited Investor	13,333	27-Apr-17
VICTORIA ORLANDO	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17
ANDREW RUDENSKY / DARK HORSE FINANCIAL	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17
MAX DEANGELIS	ON	801,283	\$0.624	N/A	Accredited Investor	801,283	27-Apr-17
ANNE BROWN	QC	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
BRADLEY NULLMEYER	ON	120,167	\$0.624	N/A	Accredited Investor	120,167	27-Apr-17
JENNIFER BLAKE & DINO DOOHER	ON	40,000	\$0.624	N/A	Accredited Investor	40,000	27-Apr-17
SOFILIA LOGISTICS GROUP INC.	ON	38,680	\$0.624	N/A	Accredited Investor	38,680	27-Apr-17
DONALD MINTZ	ON	41,667	\$0.624	N/A	Accredited Investor	41,667	27-Apr-17
JAMES WIEGAND	ON	40,000	\$0.624	N/A	Accredited Investor	40,000	27-Apr-17
MICHAEL HOLIDAY / HOLIDAY MARKETING LIMITED	ON	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
ROBERT BELIAK	ON	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
ADAM KELLER / CORPORATE FLIGHT MANAGEMENT INC.	ON	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
GIUSEPPE SCOLERI	ON	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
JIM BEQAJ	ON	80,128	\$0.624	N/A	Accredited Investor	80,128	27-Apr-17
JAMES MCDONALD	AB	40,000	\$0.624	N/A	Accredited Investor	40,000	27-Apr-17
ANTONIO DIMENNA / JAG WORLD WIDE IMPORTS	ON	641,027	\$0.624	N/A	Accredited Investor	641,027	27-Apr-17
JIM V. DE GASPERIS / MARANELLO HOLDINGS LTD.	ON	320,513	\$0.624	N/A	Accredited Investor	320,513	27-Apr-17

ROMEO DE GASPERIS	ON	320,513	\$0.624	N/A	Accredited Investor	320,513	27-Apr-17
SIMON YAKUBOWICZ	ON	504,807	\$0.624	N/A	Accredited Investor	504,807	27-Apr-17
COLIN FISHER / STABLEVIEW ASSET MGMT INC.	ON	352,883	\$0.624	N/A	Accredited Investor	352,883	27-Apr-17
YOEL ALTMAN / DIOCLES CAPITAL INC.	ON	320,517	\$0.624	N/A	Accredited Investor	320,517	27-Apr-17
PETER KIRBY	ON	221,850	\$0.624	N/A	Accredited Investor	221,850	27-Apr-17
KEVIN KIRBY	ON	66,667	\$0.624	N/A	Accredited Investor	66,667	27-Apr-17
MATT SHADBOLT	ON	32,000	\$0.624	N/A	Accredited Investor	32,000	27-Apr-17
GRAHAM SAUNDERS	ON	120,192	\$0.624	N/A	Accredited Investor	120,192	27-Apr-17
GRAHAM SAUNDERS / THE SAUNDERS FAMILY TRUST	ON	120,192	\$0.624	N/A	Accredited Investor	120,192	27-Apr-17
ADAM ARVIV / ACQUISITION GROUP LIMITED	ON	320,517	\$0.624	N/A	Accredited Investor	320,517	27-Apr-17
BROCK WINTERTON	ON	200,323	\$0.624	N/A	Accredited Investor	200,323	27-Apr-17
ANDREW POWERS	ON	40,064	\$0.624	N/A	Accredited Investor	40,064	27-Apr-17
RAJIV RAI / R3 CONCEPTS INC.	ON	240,387	\$0.624	N/A	Accredited Investor	240,387	27-Apr-17
CURTIS CUSINATO ITF CONNELL CUSINATO	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17
CONNOR CRUISE	BC	40,063	\$0.624	N/A	Accredited Investor	40,063	27-Apr-17
MARIO BOSCARINO	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17
THOMAS NOVAKOSKI / 83 CAPITAL HOLDING INC.	ON	166,667	\$0.624	N/A	Accredited Investor	166,667	27-Apr-17
MARK T. MCGINNIS	ON	50,640	\$0.624	N/A	Accredited Investor	50,640	27-Apr-17
ANNE MCGINNIS	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17
KEVIN COOMBES / CPT INC.	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17
K2 ASSET MANAGEMENT	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17

MAZHAR SHEIKH	ON	50,000	\$0.624	N/A	Accredited Investor	50,000	27-Apr-17
ASAD SHEIKH	ON	33,333	\$0.624	N/A	Accredited Investor	33,333	27-Apr-17
ELIAS KOSTOPOULOS	ON	400,640	\$0.624	N/A	Accredited Investor	400,640	27-Apr-17
FRANK TETI / 1701167 ONTARIO LIMITED	ON	160,257	\$0.624	N/A	Accredited Investor	160,257	27-Apr-17
JOSEPH STAUFFER	ON	166,667	\$0.624	N/A	Accredited Investor	166,667	27-Apr-17
KEN KNAPP	ON	80,130	\$0.624	N/A	Accredited Investor	80,130	27-Apr-17
ANTHONY VELLA / 2443904 ONTARIO INC.	ON	160,257	\$0.624	N/A	Accredited Investor	1,293,590	27-Apr-17
TOM MONAHAS / CLARUS SECURITIES INC.	ON	160,250	\$0.624	N/A	Accredited Investor	160,250	27-Apr-17
Terei International Ltd.	France	2,403,833	\$0.624	N/A	Accredited Investor	2,403,833	27-Apr-17
GRQ Consultants Inc. Roth 401K FBO Barry Honig	Florida	801,282	\$0.624	N/A	Accredited Investor	17,601,282	27-Apr-17

54,727,562