

FORM 8

NOTICE OF PROPOSED PROSPECTUS OFFERING

Please complete the following:

Name of Listed Issuer: Valeo Pharma Inc. (the "Issuer").

Trading Symbol: VPH

Date: September 10, 2020

Is this an updating or amending Notice: Yes No

If yes provide date(s) of prior Notices: August 21, 2020.

Issued and Outstanding Securities of Issuer Prior to Proposed Prospectus Offering:
58,238,859.

Date of News Release Announcing Proposed Prospectus Offering: August 20, 2020.
(or provide explanation if news release not disseminated yet and expected date or circumstances that are expected to trigger news release dissemination)

1. Prospectus Offering

1. Description of securities to be issued:

- (a) Class Class "A" shares ("Shares"). The Shares form part of the offered units ("Units") of the Issuer, each Unit being comprised of one Share and one half of one share purchase warrant (each whole share purchase warrant, a "Unit Warrant") of the Issuer.
- (b) Number 5,000,000 Shares, plus up to an additional 750,000 Shares pursuant to an over-allotment option (the "Over-Allotment Option") granted to the underwriters.
- (c) Price per security \$1.20 per Unit.
- (d) Voting rights The holders of the Shares are entitled to one (1) vote for each Share held.

2. Provide details of the net proceeds to the Issuer as follows:

- (a) Per security: \$ 1.116 per Unit (or \$1.158 per Unit purchased under a "President's List").

- (b) Aggregate proceeds: \$5,597,500, assuming no exercise of the Over-Allotment Option and 416,666 Units purchased under the President's List. \$6,434,500, assuming full exercise of the Over-Allotment Option and 416,666 Units purchased under the President's List.
3. Provide description of any Warrants (or options) including:
- (a) Number 2,500,000 Unit Warrants, plus up to an additional 375,000 Unit Warrants pursuant to the Over-Allotment Option.
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options) 2,500,000 Shares, plus up to an additional 375,000 Shares if the Over-Allotment Option is exercised in full .
- (c) Exercise price \$1.50 per Unit Warrant.
- (d) Expiry date 24 months from the closing of the offering, subject to an accelerated expiration if the closing price of the Shares on the Canadian Securities Exchange is equal to or greater than \$2.00 for a period of ten consecutive trading days.
- (e) Other significant terms _____.
4. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount _____.
- (b) Maturity date _____.
- (c) Interest rate _____.
- (d) Conversion terms _____.
- (e) Default provisions _____.
5. Details of currently issued and outstanding shares of each class of shares of the Issuer: 58,238,859 Shares.
6. Describe any unusual particulars of the offering (i.e. tax "flow through" shares, special warrants, etc.). Not applicable.
7. Provide details of the use of the proceeds: The Issuer intends to use the net proceeds to initially reduce indebtedness under the Issuer's revolving line of credit, which may be subsequently redrawn and applied as needed to partially fund, along with the balance of the net proceeds, the following uses: (1)
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inventory (5 new products), (2) product filing fees, milestones/acquisitions, (3) product launch expenses, (4) working capital and (5) transaction expenses.

8. Provide particulars of any proceeds of the offering which are to be paid to Related Persons of the Issuer: Not applicable.
9. Provide details of the amounts and sources of any other funds that will be available to the Issuer prior to or concurrently with the completion of the offering: On July 10, 2020, the Issuer closed a \$1.7 million private placement of non-convertible debenture units.
10. 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 offering (including warrants, options, etc.):
 - (a) Details of any dealer, agent, broker, finder or other person receiving compensation in connection with the offering (name, address, beneficial ownership where applicable) Stifel Nicolaus Canada Inc. (145 King Street West, Suite 300, Toronto, Ontario M5H 1J8), Desjardins Securities Inc. (1170 Peel Street, Suite 300, Montreal, Quebec H3B 0A9), Industrial Alliance Securities Inc. (26 Wellington Street East, Suite 700, Toronto, Ontario M5E 1S2) and Mackie Research Capital Corporation (199 Bay Street, Suite 4500, Toronto, Ontario M5L 1G2) (collectively, the "Underwriters").
 - (b) Cash 7.0% of the gross proceeds raised under the offering, subject to a reduced cash fee of 3.5% in respect of a maximum amount of \$500,000 to be purchased under the President's List.
 - (c) Securities The Issuer will grant the Underwriters on the date of closing non-transferable broker warrants (a "Broker Warrant") equal to 7.0% of the total number of Units sold under the offering (including those sold pursuant to the Over-Allotment Option), subject to a reduced number of Broker Warrants of 3.5% for Units purchased under the President's List. Each Broker Warrant will entitle the holder thereof to purchase one Unit (a "Broker Warrant Unit") at an exercise price equal to the issue price of Units under the offering.
 - (d) Other _____.
 - (e) Expiry date of any options, warrants etc. The Broker Warrants expire 18 months after the date of closing.

- (f) Exercise price of any options, warrants etc. \$1.20.
11. State whether the sales agent, broker, dealer, finder, or other person receiving compensation in connection with the offering is a Related Person of the Issuer with details of the relationship: No.
12. Provide details of the manner in which the securities being offered are to be distributed. Include details of agency agreements and sub-agency agreements outstanding or proposed to be made including any assignments or proposed assignments of any such agreements and any rights of first refusal on future offerings: The Issuer and the Underwriters negotiated, in good faith, an underwriting agreement that incorporated the terms and conditions of the offering and also included industry standard representations, warranties, covenants, conditions and indemnities.
13. Attach any term sheet, engagement letter or other document setting out terms, conditions or features of the proposed offering. The underwriting agreement has been filed under the Issuer's profile on SEDAR.

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 no 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 CNSX Policy 1).
4. All of the information in this Form 8 Notice of Proposed Prospectus Offering is true.

Dated September 10, 2020.

Steve Saviuk
Name of Director or Senior
Officer

"Steve Saviuk"
Signature

Chief Executive Officer
Official Capacity