



# Abba Medix Group

## ABBA MEDIX GROUP INC.

### NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

IN RESPECT OF

THE SPECIAL MEETING OF SHAREHOLDERS OF ABBA MEDIX GROUP INC.  
TO BE HELD ON OCTOBER 18, 2016

Dated as of September 20, 2016

**These materials are important and require your immediate attention. The shareholders of Abba Medix Group Inc. are required to make important decisions. If you have questions as to how to deal with these documents or the matters to which they refer, please contact your financial, legal or other professional advisor.**

**If you have any questions or require further information with regard to voting your shares or completing your transmitted documentation, please contact Computershare Investor Services Inc., our transfer agent, toll free within North America at 1-800-564-6253 or by e-mail at [service@computershare.com](mailto:service@computershare.com).**

**ABBA MEDIX GROUP INC.**

**Notice of a Special Meeting of Shareholders**

Notice is hereby given that a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Abba Medix Group Inc. ("**Abba**" or the "**Corporation**") will be held at the offices of Bennett Jones LLP, located at One First Canadian Place, Suite 3400, Toronto, Ontario, M5X 1A4, on October 18, 2016, at 10:00 a.m. (Eastern time), for the following purposes:

- (a) to consider and, if deemed appropriate, pass with or without variation, a special resolution approving an amendment to the Corporation's Articles of Incorporation to change the name of the Corporation (the "**Name Change**") to "Canada House Wellness Group Inc." or such other name as shall be acceptable to the Corporation's board of directors and applicable regulatory authorities, to take effect only in the event that all other conditions to the effectiveness of the Acquisition (as defined in the accompanying Management Information Circular) have been satisfied or waived;
- (b) to consider and, if thought advisable, to pass, with or without variation, a special resolution authorizing an amendment to the Corporation's Articles of Incorporation to consolidate (the "**Consolidation**") the outstanding Common Shares of the Corporation on the basis of one post-Consolidation Common Share for every one and one half pre-Consolidation Common Shares, to take effect only in the event that all other conditions to the effectiveness of the Acquisition have been satisfied or waived; and
- (c) to transact such other business that may properly come before the meeting.

The specific details of the foregoing matters to be put before the Meeting are set forth in the management information circular (the "**Circular**") accompanying this Notice of Meeting.

The record date for determining the Shareholders entitled to receive notice of and vote at the Meeting is the close of business on August 19, 2016 (the "**Record Date**"). Only Shareholders whose names have been entered in the applicable register of Shareholders as of 5:00 p.m. (Eastern time) on the Record Date are entitled to receive notice of and vote at the Meeting. Those Shareholders of record will be included in the list of Shareholders prepared as at the Record Date and will be entitled to vote the Common Shares recorded therein at the Meeting.

**A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, such proxy must be received by the Corporation's transfer agent, Computershare Investor Services Inc., by 5:00 p.m. (Eastern time) on October 14, 2016, or two business days prior to the time of the reconvening of any adjournment or postponement of the Meeting.**

**If you are an unregistered holder of Common Shares and have received these materials through your broker, investment dealer, bank, trust company, trustee or other intermediary, please complete and return the form of proxy provided to you by your intermediary in accordance with the instructions provided therein.**

If you require any assistance in completing your form of proxy, please contact Computershare Investor Services Inc. by calling toll free within North America at 1-800-564-6253 or by e-mail at [service@computershare.com](mailto:service@computershare.com)

DATED at Toronto, Ontario this 20<sup>th</sup> day of September 2016.

**BY ORDER OF THE BOARD OF DIRECTORS OF ABBA  
MEDIX GROUP INC.**

(signed) "*Gerald Goldberg*"

Gerald Goldberg  
Interim Chief Executive Officer

## ABBA MEDIX GROUP INC.

### Management Information Circular

#### GENERAL PROXY INFORMATION

##### Date, Time and Place of Meeting

The Meeting will be held on October 18, 2016, at 10:00 a.m. (Eastern time), at the offices of Bennett Jones LLP located at One First Canadian Place, Suite 3400, Toronto, Ontario, M5X 1A4.

##### Record Date

Only Registered Shareholders (as defined herein) of the Corporation as of 5:00 p.m. (Eastern time) on the Record Date of August 19, 2016 are entitled to receive notice of and to vote at the Meeting or the reconvening of any adjournment or postponement thereof. The Record Date will remain the same even if the Meeting is adjourned or postponed.

##### Voting of Common Shares

As of the close of business on August 19, 2016, the Corporation had 65,265,364 Common Shares outstanding, each carrying the right to one vote per share.

##### Solicitation of Proxies

The management of the Corporation is using this Circular to solicit proxies from Shareholders for use at the Meeting. All solicitation costs will be borne by the Corporation. Proxies will be solicited primarily by mail, but proxies may also be solicited personally, by telephone or through electronic means (including via the internet, e-mail or facsimile) by directors, officers and employees of the Corporation.

##### Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors or officers of the Corporation. A Shareholder has the right to appoint a person (who need not be a Shareholder) to represent such Shareholder at the Meeting other than the persons designated in the form of proxy provided by the Corporation. To exercise this right, the Shareholder should strike out the name of the management designees in the enclosed form of proxy and insert the name of the desired representative in the blank space provided in the form of proxy or submit another appropriate form of proxy. In order to be effective, a proxy must be received by the Corporation's registrar and transfer agent, Computershare Investor Services Inc., 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, no later than 5:00 p.m. (Eastern time) on October 14, 2016, or two business days prior to the time of the reconvening of any adjournment or postponement of the Meeting. The proxy must be in writing and executed by the Shareholder, or such Shareholder's attorney authorized in writing, or if such Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the Corporation c/o Computershare Investor Services Inc., 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, at any time up to and including 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or the reconvening of any adjournment or postponement of the Meeting or to the chair of the Meeting on the day of the Meeting or the reconvening of any adjournment or postponement of the Meeting. **Only Shareholders who hold Common Shares in certificate form in their name (each such Shareholder shall be hereinafter referred to as a "Registered Shareholder") have the right to revoke a proxy. Beneficial Shareholders (as defined below) who wish to change their vote must arrange for their respective intermediaries to revoke the proxy on their behalf in accordance with any requirements of the intermediaries.**

##### Proxy Voting

All Common Shares represented at the Meeting by properly completed and executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in

the proxy, Common Shares represented by the proxy will be voted in accordance with such instructions. Registered Shareholders will also be able to vote by calling a toll-free number or by using the internet, as provided for in the form of proxy. **In the absence of any such instructions, the persons whose names appear on the printed form of proxy (the "Named Proxyholder") will vote in favour of all the matters set out thereon. If any other business or amendments or variations to matters identified in the Notice of Special Meeting of Shareholders properly come before the Meeting, then discretionary authority is conferred upon the persons appointed in the proxy to vote in the manner they see fit.**

### **Advice to Beneficial Shareholders**

The information set forth in this section is of significant importance to many Shareholders, as a number of Shareholders do not hold Common Shares in their own names (each such Shareholder shall be hereinafter referred to as a "**Beneficial Shareholder**"). Beneficial Shareholders should note that only proxies deposited by Registered Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by an intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's intermediary or an agent of the intermediary. In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms and other such intermediaries). Common Shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, intermediaries and their agents and nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS & Co., or of other intermediaries, are held. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its intermediary (or the agent of its intermediary) is similar to the form of proxy provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (the intermediary or the agent of the intermediary) how to vote on behalf of the Beneficial Shareholder. The majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form instead of the form of proxy. The Beneficial Shareholder is asked to complete the voting instruction form and return it to Broadridge by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or visit [www.proxyvote.com](http://www.proxyvote.com) to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the applicable meeting. **A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of its intermediary (or the agent of its intermediary), a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholders for Registered Shareholders should enter their own names in the blank spaces on the instruments of proxy provided to them and return the same to their intermediary (or the agent of their intermediary) in accordance with the instructions provided by such intermediary (or agent), well in advance of the Meeting.

## Voting Securities and Principal Holders of Voting Securities

The Corporation is authorized to issue an unlimited number of Common Shares. As at the date hereof, there are 65,265,364 Common Shares issued and outstanding, each carrying the right to one vote on all matters to come before the Meeting.

To the knowledge of the directors and executive officers of the Corporation, the following are the only persons who beneficially own or exercise control or direction over, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to any class of outstanding securities of the Corporation entitled to vote at the Meeting:

<u>Name of Shareholder</u>	<u>Number of Common Shares held</u> <sup>(3)</sup>	<u>Percentage of outstanding Common Shares</u>
2419104 Ontario Inc. <sup>(1)</sup>	19,200,000	29.4%
Ahmad Rasouli in trust for 2418659 Ontario Inc. <sup>(2)</sup>	12,800,000	19.6%

### Notes:

- (1) 2419104 Ontario Inc. is a company owned and controlled by Ahmad Rasouli and beneficially owned by Ahmad Rasouli, Sandy Han, Abolfazel Rasouli and Ovidiu Purdel (the "Rasouli Family").
- (2) The shares are held in trust by Ahmad Rasouli for the benefit of 2418659 Ontario Inc. 2418659 Ontario Inc. is owned and controlled by Robert Sahota, Jagroop Sahota and Bhajan Sahota (the "Sahota Family").
- (3) Information not directly within the knowledge of the Corporation is based on SEDI filings or other publically available sources.

In addition to the 19,200,000 Common Shares beneficially owned or controlled by the Rasouli Family (through 2419104 Ontario Inc.), Ahmad Rasouli also controls the voting rights to the 12,800,000 Common Shares beneficially owned by the Sahota Family (through 2418659 Ontario Inc.), pursuant to the terms of a voting trust agreement.

As at the date hereof, the directors and officers of the Corporation, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 106,688 (0.16%) Common Shares.

## MATTERS TO BE ACTED UPON AT THE MEETING

**The purpose of the Meeting is to seek shareholder approval for the Name Change and the Consolidation.**

### **Background**

On June 15, 2016, the Corporation entered into a share exchange agreement (the "**Acquisition Agreement**") in which it will acquire (the "**Acquisition**") all of the issued and outstanding shares of 672800 NB Inc., doing business as Marijuana for Trauma ("**MFT**"), and all of the issued and outstanding shares of The Longevity Project Corp. ("**TLP**"). MFT and TLP are leading clinic wellness operators serving Veterans and First Responders, and management believes the Acquisition will be accretive to Shareholders and a strategic fit given the Corporation's intention to become a licensed producer of medical cannabis. In consideration for the Acquisition, the Corporation will pay \$250,000, issue Common Shares to the shareholders of MFT and TLP, as would represent approximately 66% of its current issued and outstanding Common Shares from treasury on a post-Consolidation basis, prior to giving effect to the Offering (as defined herein) (the "**Consideration Shares**"), and pay another \$4,000,000 in earn-out payments. The Consideration Shares will be subject to a contractual, and potentially a statutory, escrow dependent on the achievement of certain EBITDA targets.

The Acquisition constitutes a "fundamental change" within the meaning of the Canadian Securities Exchange ("**CSE**") policies. In connection with the Acquisition, the Corporation is required to file a CSE Form 2A Listing Statement (the "**Listing Statement**"). More information about the Acquisition, as well as additional disclosure about MFT and TLP, can be obtained from the Corporation's Listing Statement once filed on SEDAR at [www.sedar.com](http://www.sedar.com).

As announced in the press release of the Corporation dated September 6, 2016 (a copy of which is available under the Corporation's profile on SEDAR, at [www.sedar.com](http://www.sedar.com)), the Corporation completed a private placement offering (the "**Offering**") raising \$6,025,000 in support of the Acquisition. The Offering consisted of 19,001,000 equity units (the "**Equity Unit Subscription Receipts**") and 1,275 debenture units (the "**Debenture Unit Subscription**

**Receipts**” and together with the Equity Unit Subscription Receipts, the “**Subscription Receipts**”). Each Equity Unit Subscription Receipt is comprised of (i) one Common Share of the Corporation and (ii) one Common Share purchase warrant of the Corporation (a “**Warrant**”).

The Offering is subject to escrow release conditions (“**Escrow Release Conditions**”) which must be satisfied by 5:00pm on October 31, 2016, or such later date as may be consented to in writing by the holders of the Subscription Receipts (the “**Termination Date**”) failing which the funds raised in the Offering will be returned to the investors. Among the Escrow Release Conditions is a requirement that the Acquisition be completed by the Termination Date.

In connection with, and as a condition to, the Acquisition, the Corporation intends to complete a Consolidation of the Corporation’s Common Shares on the basis of one (1) post-Consolidation Common Share for every one and one half (1.5) pre-Consolidation Common Shares (the “**Consolidation Ratio**”). As more particularly described below, management believes that the Consolidation is necessary and in the best interests of the Corporation.

Further, upon completion of the Acquisition, the Corporation intends to change its name to “Canada House Wellness Group Inc.”, or such other name as is authorized by the board of directors of the Corporation. As more particularly described below, management believes that the Name Change is necessary and in the best interests of the Corporation.

### **Approval of Name Change**

In connection with the Acquisition, Shareholders will be asked to consider and, if deemed appropriate, approve and adopt a special resolution authorizing the Corporation's board of directors to amend the Articles of Incorporation of the Corporation to effect the change of name of the Corporation to "Canada House Wellness Group Inc." or any such other name as shall be acceptable to the Corporation's board of directors and applicable regulatory authorities, in order to better reflect the business of the Corporation following the Acquisition. **The Name Change will not be implemented unless all other conditions to the effectiveness of the Acquisition have been satisfied or waived.**

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the following special resolution approving the Name Change (the “**Name Change Resolution**”):

“BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION, THAT:

1. pursuant to Section 171(1) of the CBCA, upon completion of the Acquisition, the Articles of Incorporation of the Corporation be amended by changing the name of the Corporation (the “**Name Change**”) to “Canada House Wellness Group Inc.” or such other name as shall be acceptable to the Corporation's board of directors and applicable regulatory authorities;
2. any one (1) director or officer of the Corporation is hereby authorized and directed to do all things and to execute all instruments, documents, Articles of Amendment or restated Articles of Incorporation as in their opinion may be necessary or desirable in order to give effect to the foregoing special resolution;
3. counsel be appointed as the agent of the Corporation to electronically file the Articles of Amendment (Form 4) in respect of the Name Change with the Director appointed under the CBCA; and
4. notwithstanding the approval of the shareholders of the Corporation as herein provided, the board of directors of the Corporation may, in their

sole discretion, revoke this special resolution before it is acted upon, without further approval of the shareholders of the Corporation."

The Corporation's board of directors has unanimously determined that the Name Change is in the best interests of the Corporation and the Shareholders. As such, the Corporation's board of directors unanimously recommends that the Shareholders vote FOR the Name Change Resolution.

In order to be effective, the Name Change Resolution must be approved by at least 66⅔% of the votes cast in respect thereof in person or by proxy at the Meeting. The Named Proxyholders, if appointed as proxies, intend to vote FOR the Name Change Resolution.

*Rationale for the Name Change*

After completion of the Acquisition, the Corporation's business will be to expand the footprint of wellness centres across Canada to provide Veteran and First Responder wellness services. Beyond the basic wellness services currently offered, services and products ancillary and adjuvant to cannabinoid therapy through integrated clinical offerings are currently being investigated. These extended clinical services are fully accretive to the current business and will further the mission and vision of the company to meaningfully improve the quality of lives for Veterans and First Responders. The change of the Corporation's name to "Canada House Wellness Group Inc." will re-brand the Corporation under a name that more accurately represents its new business strategy.

*Procedure for Implementing the Name Change*

If the Name Change Resolution is approved by the Shareholders and the board of directors decides to implement the Name Change, the Corporation will promptly file Articles of Amendment pursuant to the *Canada Business Corporations Act* (the "CBCA") to amend the Articles of the Corporation. The Name Change will become effective on the date shown in the certificate of amendment issued pursuant to the CBCA.

*No Dissent Rights*

Under the CBCA, Shareholders do not have dissent and appraisal rights with respect to the Name Change.

**Approval of Share Consolidation**

In connection with the Acquisition and the Offering, Shareholders will be asked to consider, and, if thought appropriate, to pass a special resolution authorizing the Corporation's board of directors to amend the Corporation's Articles of Incorporation in order to effect a Consolidation of the issued and outstanding Common Shares of the Corporation on the basis of one and one half (1.5) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share of the Corporation. No fractional shares will be issued under the Consolidation. Upon completion of the Consolidation, any resulting fractional Common Shares with the first decimal place being less than five will be cancelled without payment of any consideration, and any resulting fractional Common Shares with the first decimal place being five or greater will be rounded up to one whole post-Consolidation Common Share.

*Rationale for the Share Consolidation*

The Corporation's board of directors believes that it is in the best interests of the Corporation to optimize the share structure of the Corporation by reducing the number of Common Shares that will be outstanding following the completion of the Acquisition and Offering through the Consolidation.

*Effects of the Consolidation*

The Consolidation will have the following effects on the current share capital of the Corporation:

- (a) the number of Common Shares of the Corporation issued and outstanding will be reduced on the basis of the Consolidation Ratio;
- (b) the number of Common Shares issuable upon the exercise of outstanding Warrants of the Corporation will be reduced proportionately based on the Consolidation Ratio with corresponding adjustments to the exercise price of the Warrants;

- (c) the number of Common Shares issuable upon the exercise of outstanding options of the Corporation will be reduced proportionately based on the Consolidation Ratio with corresponding adjustments to the exercise price of the options; and
- (d) the number of Common Shares reserved for issuance under the Corporation's option plan will be reduced proportionately based on Consolidation Ratio.

In addition, the Consolidation may result in some Shareholders owning "odd lots" of less than 100 post-Consolidation Common Shares. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in "board lots" of even multiples of 100 Common Shares.

*Share Consolidation Resolution*

If the requisite approval of the Shareholders is obtained, the Consolidation will take place immediately prior to closing of the Acquisition. Notwithstanding the approval by the Shareholders, the Corporation's board of directors may, without further shareholder action, revoke the special resolution authorizing the Consolidation and not implement the Consolidation, if in the sole discretion of the Corporation's board of directors, it is deemed desirable to do so. **The Consolidation will not be implemented unless all other conditions to the effectiveness of the Acquisition have been satisfied or waived.**

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the following special resolution approving the Consolidation (the "**Consolidation Resolution**"):

"BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION, THAT:

1. The Corporation is hereby authorized to consolidate the issued and outstanding Common Shares of the Corporation on the basis of one and one half (1.5) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share of the Corporation. Any resulting fractional Common Shares with the first decimal place being less than five shall be cancelled without payment of any consideration, and any resulting fractional Common Share with the first decimal place being five or greater shall be rounded up to one whole post-Consolidation Common Share;
2. Notwithstanding that this special resolution has been passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered without further notice to, or approval of, the shareholders, subject to the terms of the Acquisition Agreement, to determine not to proceed with the Consolidation at any time prior to the filing of the articles of amendment giving effect to the Consolidation. The directors of the Corporation may, at their sole discretion, revoke this resolution before it is acted upon without further approval or authorization of the shareholders of the Corporation;
3. The effective date of the Consolidation shall be the date shown in the certificate of amendment issued under the *Canada Business Corporations Act* or such other date indicated in the articles of amendment; and
4. Any officer or director of the Corporation is hereby authorized and directed for on behalf of the Corporation to execute and deliver all such documents and to do all such other acts and things as he may determine to be necessary or advisable to give effect to this special resolution



including, without limitation, to determine the timing for delivery and effect the delivery of articles of amendment in the prescribed form to the Director appointed under the *Canada Business Corporations Act*, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

The Corporation's board of directors has unanimously determined that the Acquisition is in the best interests of the Corporation and the Shareholders. As such, the Corporation's board of directors unanimously recommends that the Shareholders vote FOR the Consolidation Resolution.

In order to be effective, the Consolidation Resolution must be approved by at least 66 2/3% of the votes cast in respect thereof in person or by proxy at the Meeting. The Named Proxyholders, if appointed as proxies, intend to vote FOR the Consolidation Resolution.

#### *Procedure for Implementing the Consolidation*

If the board of directors decides to proceed with the Consolidation and assuming that Shareholder approval for the Consolidation is received at the Meeting and all regulatory approvals are obtained, including the approval of the CSE, the Consolidation will only become effective upon the filing by the Corporation of Articles of Amendment with the Director under the CBCA giving effect to the Consolidation and the endorsement by the Director of a certificate of amendment in respect thereof.

The Corporation will issue a press release announcing the filing of the Articles of Amendment giving effect to the Consolidation, and, in accordance with the rules of the CSE, the post-Consolidation Common Shares will be assigned a new CUSIP number.

#### *No Dissent Rights*

Under the CBCA, Shareholders do not have dissent and appraisal rights with respect to the Consolidation.

#### *Letter of Transmittal*

Upon closing of the Acquisition and implementation of the Consolidation, Shareholders will receive a letter of transmittal (the "**Letter of Transmittal**") which will need to be duly completed and submitted by any Shareholders wishing to receive share certificates reflecting the Name Change and the post-Consolidation Common Shares to which he, she or it is entitled if the Corporation completes the Name Change and Consolidation. The Letter of Transmittal can be used for the purpose of surrendering certificates representing the currently outstanding Common Shares to the Corporation's registrar and transfer agent in exchange for new share certificates reflecting the Name Change and the whole post-Consolidation Common Shares of the Corporation. After the Name Change and the Consolidation, currently issued share certificates reflecting the current name of the Corporation and pre-Consolidation Common Shares of the Corporation will (i) not constitute good delivery for the purpose of trades following the Name Change and post-Consolidation Common Shares; and (ii) be deemed for all purposes to represent the number of post-Consolidation Common Shares to which the Shareholders are entitled as a result of the Consolidation. No delivery of a new certificate to a Shareholder will be made until the Shareholder has surrendered his, her or its current issued certificates. **Please do not send the Letter of Transmittal until the Corporation announces by press release that the Name Change and Consolidation will become effective.**

Non-registered Shareholders holding Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered Shareholders. If you hold Common Shares with such bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your nominee to obtain instructions for processing the Name Change and Consolidation.

#### **Certain Risks Associated with the Consolidation**

The board of directors believes that it is in the best interests of the Corporation to reduce the number of outstanding Common Shares by way of the Consolidation; however, there are certain risks associated with the Consolidation, including, but not limited to:

- *Impact on Common Share Price* – numerous factors could affect the price of the Common Shares following the Consolidation, including those described in the Corporation's public filings. Accordingly, the price of the Common Shares may not be sustainable at the direct arithmetic result of the Consolidation, and may be lower. If the price of the Common Shares is lower than it was before the Consolidation on an arithmetic equivalent basis, the Corporation's total market capitalization after the Consolidation may be lower than before the Consolidation;
- *Reduced Liquidity* – a decline in the price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation and thus the marketability and liquidity of the Common Shares could be adversely affected following the Consolidation; and
- *Creation of "Odd Lots"* – as noted above, the Consolidation may result in some Shareholders owning "odd lots" of less than a "board lot" of Common Shares on a post-Consolidation basis, which may be more difficult to sell, or require greater transaction costs per Common Share to sell than Common Shares held in "board lots".

### **Other Information Regarding the Consolidation**

#### *CSE Approval*

The Consolidation is subject to regulatory approval including, but not limited to, approval of the CSE. As a condition to the approval of a consolidation of shares listed for trading on the CSE, the CSE requires, among other things, that an issuer continue to meet the CSE "Listing Requirements" after the Consolidation. In order for the Corporation to continue to meet the applicable Listing Requirements it must have at least 150 "public holders" holding at least one "board lot" of the security each, after completion of the Consolidation. As a result, the board of directors may in its sole discretion determine that it is necessary to implement a lower share consolidation ratio in order to satisfy the applicable Listing Requirements and obtain approval of the Consolidation from the CSE. The board of directors may also determine to implement a lower share consolidation ratio for other reasons, such as to adjust to a higher stock price for the Corporation's Common Shares or to reflect an increase in the actual or expected value of the Corporation's assets.

#### *Effect on Convertible Securities, Stock Options and Other Arrangements*

The exercise price and/or the number of Common Shares of the Corporation issuable under any of the Corporation's outstanding convertible securities, purchase warrants, stock options and any other similar securities will be proportionately adjusted based upon the Consolidation Ratio.

### **OTHER MATTERS TO BE BROUGHT BEFORE THE MEETING**

Management of the Corporation is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters that may properly come before the Meeting.

### **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purpose of this Circular, an "**Informed Person**" of the Corporation means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or corporation that is itself an Informed Person or subsidiary of the Corporation; (c) any person or corporation who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or corporation as underwriter in the course of a distribution; and (d) the Corporation, if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

To the knowledge of the Corporation, except as set forth below, no Informed Person of the Corporation, and no associate or affiliate of any such person, at any time, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction that has materially affected the Corporation, in any proposed transaction that could materially affect the Corporation, or in any matter to be acted upon at the Meeting.

The Corporation's board of directors (other than a director who is a significant shareholder of TLP and accordingly has abstained from voting) has unanimously determined that the Acquisition is in the best interests of the Corporation and the Shareholders. Mr. David Shpilt is a significant shareholder of TLP. As such, Mr. Shpilt recused himself from all board meetings and discussions of the Corporation in respect of the Acquisition.

The Acquisition requires Shareholder approval, which is expected to be obtained by way of written consent from holders of a majority of the issued and outstanding Common Shares.

The Acquisition is subject to the requirements of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among shareholders, generally requiring enhanced disclosure, approval by a majority of shareholders excluding interested or related parties, independent valuations and, in certain instances, approval and oversight of the transaction by a special committee of independent directors.

The Corporation intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(a) as its Common Shares are listed on the CSE and not one of the specific markets listed therein and as the fair market value of the consideration to be received by Mr. Shpilt (as the "related party") does not exceed 25% of the Corporation's market capitalization. However, for the purposes of the CSE, any Common Shares held by Mr. Shpilt as of the Record Date would not be voted by way of written consent on the Acquisition. To the Corporation's knowledge, Mr. Shpilt held no Common Shares as of the Record Date.

#### **AVAILABLE INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Corporation is provided in the Corporation's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year.

Shareholders may request copies of the Corporation's financial statements and management's discussion and analysis by contacting the Corporation at 1-844-696-3349 or in person at 1773 Bayly Street, Pickering, Ontario, L1W 2Y7.

#### **OTHER MATTERS**

Management of the Corporation is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Special Meeting of Shareholders. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

#### **DIRECTORS' APPROVAL**

The contents and the sending of this Circular have been approved by the board of directors of the Corporation.

DATED: September 20, 2016

**BY ORDER OF THE BOARD OF DIRECTORS OF ABBA  
MEDIX GROUP INC.**

(signed) "*Gerald Goldberg*"

Gerald Goldberg  
Interim Chief Executive Officer