BODY AND MIND, INC.
(formerly, Deploy Technologies Inc.)

CSE FORM 2A

with respect to a Fundamental Change
pursuant to Policy 8 of the Canadian Securities Exchange

November 17th , 2017

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INTRODUCTION

This Listing Statement ("**Listing Statement**") was furnished by and on behalf of the management of Body and Mind, Inc. (formerly, Deploy Technologies Inc.) ("**Body and Mind**" or the "**Issuer**") in order to qualify for listing of the securities of the Issuer following a fundamental change under the Policies of the Exchange.

The information contained or referred to in this Listing Statement with respect to Nevada Medical Group LLC ("**NMG**") and their related business has been provided by their respective management and is the responsibility of such entity. Body and Mind has reviewed information and documents provided by NMG, including audited financial statements of NMG. Management and directors of Body and Mind have relied upon NMG for the accuracy of the information provided by NMG.

Documents Incorporated by Reference

Information has been incorporated by reference in this Listing Statement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of Body and Mind at 750 – 1095 West Pender Street, Vancouver, BC V6E 2M6, and may also be available electronically under Body and Mind's SEDAR profile at www.sedar.com.

The following documents of Body and Mind, filed with the various provincial securities commissions, the Canadian Securities Exchange (the "**CSE**") or similar authorities in Canada, are specifically incorporated into and form an integral part of this Listing Statement:

- the annual audited financial statements of Body and Mind for the years ended July 31, 2015, and July 31, 2016. See "*Financial Statements*" in section 25 hereof;
- the unaudited interim financial statements of Body and Mind for the nine months ended April 30, 2017. See "*Financial Statements*" in section 25 hereof; and
- the Management's Discussion and Analysis ("**MD&A**") of Body and Mind for its most recent fiscal year ended July 31, 2016, and its interim MD&A for the nine months ended April 30, 2017. See "*Management's Discussion and Analysis*" in section 6 hereof.

The Issuer is expected to derive a portion of its revenues from the cannabis industry in Nevada, which industry is illegal under U.S. federal law. Body and Mind is involved in the cannabis industry in the United States where local state law permits such activities. It is anticipated that the Issuer will operate in Nevada and may expand its operations to such other U.S. States as allow participation in the cannabis industry under local state law, and while the Issuer does not currently have operations in Canada, it may expand to such operations in the future. Canada has regulated medical use and commercial activity involving cannabis and recently released Bill C-45, which proposes the enactment of the Cannabis Act, to regulate the production, distribution and sale of cannabis for unqualified adult use, with a target implementation date of no later than July 1, 2018. Currently, the Issuer is not directly engaged in the manufacture, importation, possession, use, sale or distribution of cannabis in the recreational cannabis marketplace in Canada.

Almost half of the U.S. states have enacted legislation to regulate the sale and use of medical cannabis without limits on tetrahydrocannabinol ("THC"), while other states have regulated the sale and use of medical cannabis with strict limits on the levels of THC.

Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act (the "CSA") in the United States and as such, may be in violation of federal law in the United States.

As a result of the conflicting views between state legislatures and the federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, which may adversely affect the current and future investments of the Issuer in the United States. As such, there are a number of risks associated with the Issuer's existing and future investments in the United States, and such investments may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, the Issuer may be subject to significant direct and indirect interaction with public officials. The CSE has advised the Issuer that it reserves the right to enforce its rules and policies against the Issuer in the manner the CSE deems appropriate. Further, the CSE reserved the right to set whatever requirements it deems appropriate as conditions to its acceptance of notice of any proposed future issuance of Common Shares of the Issuer. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Issuer's ability to invest in the United States or any other jurisdiction. See "Risk Factors — Risks related to operating in Cannabis Industry".

Forward-Looking Statements

This Listing Statement contains information and projections based on current expectations. Certain statements herein may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Body and Mind, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Listing Statement, such statements use such words as "will", "may", "could", "intends", "potential", "plans", "believes", "expects", "projects", "estimates", "anticipates", "continue", "potential", "predicts" or "should" and other similar terminology. These statements reflect expectations regarding future events and performance but speak only as of the date of this Listing Statement. Forward-looking statements include, among others, plans to market, sell and distribute products; market competition; plans to retain and recruit personnel; the ability to secure funding; and the ability to obtain regulatory and other approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements.

There can be no assurance that any intended or proposed activity or transaction will occur or that, if any such action or transaction is undertaken, it will be completed on terms intended by Body and Mind. Body and Mind assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Although Body and Mind believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Body and Mind can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The forward-looking statements herein speak only as of the date hereof. Actual results could differ materially from those anticipated due to a number of factors and risks including those described under "*Risk Factors*" in section 17 hereof.

2. CORPORATE STRUCTURE

2.1 Corporate Name

Issuer: The full corporate name of Body and Mind is "Body and Mind, Inc." The principal and registered office of Body and Mind is 750 – 1095 West Pender Street, Vancouver, BC V6E 2M6.

NMG: The full corporate name of NMG is "Nevada Medical Group, LLC". NMG's registered office is 204 – 4785 S. Durango Drive, Las Vegas, Nevada 89714. NMG became a wholly owned subsidiary of Body and Mind pursuant to the Share Exchange Agreement.

2.2 Incorporation

Body and Mind was incorporated on September 15, 2010 under the laws of the State of Nevada, USA, under the name "Deploy Acquisition Corp." On September 17, 2010, Body and Mind completed a merger with Deploy Technologies Inc., its former parent company incorporated under the laws of the State of Delaware ("**Deploy Tech**"), pursuant to which the Issuer was the surviving corporation and assumed all the assets, obligations and commitments of Deploy Tech. Upon the completion of the merger Body and Mind assumed the name "Deploy Technologies Inc." and all of the issued and outstanding common stock of Deploy Tech was automatically converted into and became Body and Mind's issued and outstanding common stock. On May 10, 2011, the Issuer registered as an extra provincial company in British Columbia and on September 30, 2011, the Issuer filed a certificate of amendment with the Nevada Secretary of State to designate 2,900,000 shares of its authorized capital stock as Class A Preferred Shares ("**Body and Mind Preferred Shares**"). On November 17, 2014, the Issuer filed a certificate of amendment with the Nevada Secretary of State increasing the authorized Body and Mind Preferred Shares to 20,000,000 shares. On November 11, 2014, the Issuer's Board of Directors (the "**Body and Mind Board**") approved a reverse split of its common shares ("**Body and Mind Common Shares**") on the basis of one new share for ten old shares as well as a reduction in its authorized capital from 100,000,000 Body and Mind Common Shares to 10,000,000 Body and Mind Common Shares. On April 11, 2017, Body and Mind filed a certificate of amendment with the Nevada Secretary of State to increase the authorized capital from 10,000,000 Body and Mind Common Shares to 900,000,000 Body and Mind Common Shares. Body and Mind is a reporting issuer in British Columbia and Ontario. In connection with the Acquisition and prior to the Closing Date (each as defined in subsection 2.4, below), Body and Mind got approval by the Body and Mind shareholders to remove the Body and Mind Preferred Shares from the authorized share capital of Body and Mind. Body and Mind completed a consolidation of Body and Mind Common Shares on a ratio of 3:1 (the "**Consolidation**") prior to closing the Acquisition and completing the Concurrent Financing (as described below) resulting in there being 28,239,876 Body and Mind Common Shares issued and outstanding post-Consolidation.

Deploy Tech was incorporated in 1998 under the laws of the State of Delaware, USA, under the name Concept Development Group Inc. It changed its name in 2004 to Vocalscape Inc., in 2005 to Nevstar Precious Metals, Inc. and in 2008 to Deploy Technologies Inc.

NMG was incorporated on March 3, 2014 under the laws of the State of Nevada, USA as a limited liability company. The initial interest-holders of NMG were SW Fort Apache, LLC, KAJ Universal Real Estate, the Rozok Family Trust and MBK Investments, LLC. On June 28, 2016, KAJ Universal Real Estate and SW Fort Apache, LLC sold 3% of their interests in NMG to NV Trees, LLC. There have been no other material changes to the corporate structure of NMG.

2.3 Inter-corporate Relationships

Body and Mind has the following subsidiary:

Name of Subsidiary	Place of Incorporation	Ownership Interest
DEP Nevada Inc.	Nevada, USA	100%

On August 10, 2017, Body and Mind formed a wholly-owned Nevada State subsidiary "DEP Nevada Inc." ("**NevadaCo**").

NMG does not have any subsidiaries.

2.4 Fundamental Change or Acquisition

On September 14, 2017, Body and Mind and NevadaCo entered into a definitive agreement (the "**Share Exchange Agreement**") with NMG, an arm's length party, to carry out the business combination transaction initially announced on May 17, 2017, following the signing of the letter of intent between Toro Pacific Management Inc. ("**Toro**") and NMG (the "**Letter of Intent**"), which was assigned to Body and Mind pursuant to an assignment and novation agreement among Toro, NMG, and Body and Mind dated effective May 12, 2017 (the "**Assignment Agreement**"). Pursuant to the Assignment Agreement Toro will receive 470,000 Body and Mind Common Shares Pursuant to the Share Exchange Agreement, NevadaCo, Body and Mind's wholly-owned subsidiary, acquired all of the issued and outstanding securities of NMG in exchange for the issuance of Body and Mind Common Shares and certain cash and other non-cash consideration, as further described below (the "**Acquisition**"). Completion of the Acquisition resulted in a fundamental change under the policies of the Exchange.

In connection with the Acquisition, Body and Mind completed the Consolidation prior to closing the Acquisition and completed the Concurrent Financing (as described below) resulting in there being 28,239,799 Body and Mind Common Shares issued and outstanding post-Consolidation.

Body and Mind completed a concurrent equity financing to raise aggregate gross proceeds of CAD$6,007,429.89 through the issuance of subscription receipts ("**Body and Mind Subscription Receipts**") with each Body and Mind Subscription Receipt convertible into one pre-Consolidation common share of Body and Mind and one share-purchase warrant of Body and Mind, at a price of $0.22 per Body and Mind Subscription Receipt (the "**Concurrent Financing**").

In consideration for all of the issued securities of NMG, the NMG securityholders (collectively, the “**NMG Members**”) received, on a pro rata basis, (a) 16,000,000 post-Consolidation Body and Mind Common Shares (“**Body and Mind Payment Shares**”) at a deemed price of $0.66 per share (the “**Share Exchange**”), (b) US$ 2,000,000 cash, and (c) a non-interest bearing promissory note in the original principal amount of US$ 2,000,000 (the “**Promissory Note**”). The Promissory Note was secured by a senior priority security interest in all assets of Body and Mind, to be paid at the earlier of fifteen (15) months from the closing date of the Acquisition or, if an equity or debt financing subsequent to the Concurrent Financing is closed in an aggregate amount of not less than US$5,000,000, then within 30 days of the closing date of such subsequent financing. Body and Mind assumed NMG’s obligations pursuant to a loan in the amount of US$400,000, payable to TI Nevada, LLC, of which US$225,000 was paid on Closing (as defined below) and the remaining US$175,000 will be paid within 15 months of the Closing Date (as defined below). Further, Body and Mind reimbursed NMG (up to US$84,000) for expenditures incurred prior to the Closing Date which were related to the acquisition of production equipment.

Any Body and Mind Payment Shares received by a “Related Person” (as defined in the Exchange Policy 1) in connection with the Acquisition, and certain other Body and Mind Payment Shares as may be required by the Exchange (“**Escrow Shares**”), are subject to escrow conditions prescribed by the Exchange pursuant to the terms of an agreement (the “**Escrow Agreement**”) entered into among Body and Mind, the holders of Escrow Shares and National Issuer Services Ltd. Body and Mind Payment Shares received by the NMG Members are subject to escrow under the rules and policies imposed by the Exchange, and are further subject to voluntary pooling agreements entered into between Body and Mind and the NMG Members (the “**Voluntary Pooling Agreements**”), pursuant to which the Body and Mind Payment Shares will be released from pooling to the NMG Members in accordance with the following schedule:

6 months after the Closing Date	10% of the respective Body and Mind Payment Shares
12 months after the Closing Date	20% of the respective Body and Mind Payment Shares
18 months after the Closing Date	25% of the respective Body and Mind Payment Shares
24 months after the Closing Date	45% of the respective Body and Mind Payment Shares

The Acquisition closed on November 14, 2017 (the “**Closing Date**”). On completion of the Acquisition (the “**Closing**”), Body and Mind assumed the business of NMG, being the cultivation and production of medical marijuana products.

NMG was an early applicant in Nevada in 2014 and was awarded one of the first state medical licences for both cultivation and production of marijuana. NMG is currently in the application process for a cultivation and production license for recreational marijuana. NMG operates under its marquee brand name of Body & Mind Inc. (“**BaM**”) and produces flower, oil extracts and edibles. BaM’s products have received multiple awards and are available for sale in dispensaries in Nevada.

2.5 Incorporation outside Canada

Body and Mind, NevadaCo and NMG were each incorporated under the corporate laws of the State of Nevada, USA. Except as noted below, the corporate laws of the State of Nevada do not materially differ from Canadian corporate legislation with respect to the corporate governance principles set out in CSE Policy 4 – *Corporate Governance and Miscellaneous Provisions*.

Although Body and Mind is governed by the Nevada Revised Statutes ("**NRS**"), it is required to comply with the provisions of all National Instruments that apply to reporting issuers that are CSE issuers. Neither the NRS nor Body and Mind's constating documents have any director independence requirements.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

Body and Mind

Body and Mind, formerly Deploy Technologies Inc., was a development stage company engaged in designing and developing technologies and products for the management of truck fleets by companies in the freight haulage, waste haulage, mining, industrial operations and manufacturing, military and law enforcement industries.

The Issuer identified its proprietary technology and primary product by the name "Fleet Data Management & Weigh System". The principal and unique feature of the Fleet Data Management & Weigh System enables operators of heavy industrial hydraulic lifting equipment to weigh cargo "on-the-fly" during the process of loading carrier vehicles. The load weight of trucks is important information for several purposes, including billing, compliance with highway and safety regulations and loading within capacity specifications. The Issuer designed and developed the Fleet Data Management & Weigh System to provide this information, as well as much more, on a real-time basis. The Fleet Data Management & Weigh System is capable of providing such information for in-cab entry and can deliver the information by wireless communication to operations centers, billing departments and for archival purposes, in order to meet the needs of any fleet operator.

Following the 2008 acquisition by the Issuer's predecessor entity of the on-the-fly weigh system technology from Trepped Enterprises Inc., the Issuer devoted much of its time to engineering; circuit board design and testing; firmware and software development and testing; adding components and features; hardware selection; and improving, testing and packaging the Fleet Data Management & Weigh System. Upon the completion of the Issuer's merger with Deploy Tech, it acquired the rights to both the technology and products that comprise the system by virtue of being the surviving corporation.

the Issuer developed a final prototype of the products that comprise its Fleet Data Management & Weigh System. It has tested both prototype packages on various types of vehicles. It has experienced delays due to lack of required funding resulted in less attention on sales and marketing than expected.

Due to the large number of different vehicles and vehicle models that contain variations in parts, the Issuer's system had to be tested on each variation of a vehicle before it can be sold to customers to ensure that it is properly calibrated for that specific vehicle. This significantly increases its testing and sales timelines.

Throughout the Issuer's 2014 fiscal year, its management was focused on sales of its products as well as raising capital required to achieve its sales and marketing goals. The Issuer was not successful in raising required capital to hire sales and marketing staff or launch a sales and marketing campaign and therefore restructured the company to be more attractive to the investment community.

Although a lack of funding caused delays in sales and marketing efforts, the Issuer was able to remain current in its reporting obligations, including the year-end requirements to file its audited financial statements, MD&A and annual listing statement.

Throughout the Issuer's previous three years, it had developed and patented and had been selling its Fleet Data Management & Weigh System and has prepared the company for commercialization of its product line.

NMG

NMG was an early applicant in Nevada in 2014 and was awarded one of the first state medical licences for both cultivation and production of marijuana. NMG is currently in the application process for a cultivation and production license for recreational marijuana. NMG operates under its marquee brand name of Body & Mind Inc. and produces flower, oil extracts and edibles. BaM's products have received multiple awards and are available for sale in dispensaries in Nevada.

NMG has near term plans to expand to 50,000 square feet as the current facility of approximately 20,000 square feet is nearing capacity. NMG anticipates an increase in demand due to the recently approved "Adult Use" licensing in the State of Nevada set to begin in July 2017. BaM has several growth initiatives underway including new product introductions, product licensing, third party extraction, out-of-State licensing, and acquisitions.

3.2 Significant Acquisitions and Dispositions

On May 12, 2017, Toro entered into the Letter of Intent with NMG, which was assigned to the Issuer pursuant to the Assignment Agreement among Toro, NMG, and the Issuer. The Letter of Intent provided that upon completion of the Acquisition, Toro's assignee will acquire all of the issued and outstanding NMG Securities. Subsequent to signing the Letter of Intent, the Issuer and NevadaCo entered into the Share Exchange Agreement dated September 14, 2017 with NMG, which replaced and superseded the Letter of Intent in its entirety. Pursuant to the Assignment Agreement and an amendment to the Assignment Agreement dated November 14, 2017 Toro will receive 470,000 Body and Mind Shares in accordance with the following schedule:

a. 1/10 of the Body and Mind Shares upon closing of the Transaction;
b. 1/6 of the remaining Body and Mind Shares upon the day that is 6 months after the closing of the Acquisition;
c. 1/5 of the remaining Body and Mind Shares upon the day that is 12 months after the closing of the Acquisition;
d. 1/4 of the remaining Body and Mind Shares upon the day that is 18 months after the closing of the Acquisition;
e. 1/3 of the remaining Body and Mind Shares upon the day that is 24 months after the closing of the Acquisition;
f. 1/2 of the remaining Body and Mind Shares upon the day that is 30 months after the closing of the Acquisition; and
g. the remaining Body and Mind Shares upon the day that is 36 months after the closing of the Acquisition.

On November 14, 2017, Body and Mind acquired all of the issued and outstanding NMG Securities, through its wholly owned subsidiary NevadaCo, subject to the terms and conditions of the Share Exchange Agreement. The purchase price was paid on the Closing Date by the issuance of 16,000,000 Body and Mind Common Shares at a deemed price of $0.66 per Body and Mind Common Share to the NMG Members, payment of US$2,000,000, and a non-interest bearing promissory note for the amount of US$2,000,000. Pursuant to the Share Exchange Agreement, NMG become a wholly-owned subsidiary of NevadaCo.

Closing Conditions

The Acquisition was subject to a number of approvals that were obtained, and conditions, which had to be met, prior to its implementation including, but not limited to the following:

(a) the completion of the Consolidation;
(b) the completion of the Concurrent Financing;
(c) the receipt of all necessary corporate, regulatory and third party approvals including the approval of the CSE, as applicable, and compliance with all applicable regulatory requirements and conditions in connection with the Acquisition;
(d) approval of the Nevada Department of Health and Human Services Division of Public and Behavioral Health and, the approval of Clark County, Nevada, required for the lawful transfer of the ownership interest of NMG;
(e) at Closing, Body and Mind met the minimum listing requirements of the Exchange; and
(f) there were no material adverse changes in the business, affairs, financial condition or operations of Body and Mind or NMG.

Since Closing, the Issuer has not operated in the fleet truck management space. Rather, the Issuer has taken on the business of NMG, operating in the cultivation and production of medical marijuana.

3.3 Trends, Commitments, Events or Uncertainties

U.S. Federal Laws Applicable to the Medical-Use Cannabis Industry

Cannabis is a Schedule I controlled substance under the *Controlled Substance Act* (the "**CSA**"). Even in those jurisdictions in which the manufacture and use of medical cannabis has been legalized at the state level, the possession, use, cultivation, and transfer of cannabis remains a violation of federal law. Federal law criminalizing the use of cannabis preempts state laws that legalize its use for medicinal or adult-retail purposes, and therefore strict enforcement of federal law regarding cannabis would severely restrict the ability of the Issuer to carry out its business plan.

The U.S. Department of Justice under the Obama administration had issued memoranda, including the so-called "Cole Memorandum" on August 29, 2013, characterizing enforcement of federal cannabis prohibitions under the CSA to prosecute those complying with state regulatory systems allowing the use, manufacture and distribution of medical cannabis as an inefficient use of federal investigative and prosecutorial resources when state regulatory and enforcement efforts are effective with respect to enumerated federal enforcement priorities under the CSA. In the "Cole Memo," the U.S. Department of Justice provided guidance to all federal prosecutors indicating that federal enforcement of the CSA against cannabis-related conduct should be focused on eight priorities, which are to prevent: (1) distribution of cannabis to minors; (2) revenue from sale of cannabis to criminal enterprises, gangs and cartels; (3) transfer of cannabis from states where it is legal to states where it is illegal; (4) cannabis activity from being a pretext for trafficking of other illegal drugs or illegal activity; (5) violence or use of firearms in cannabis cultivation and distribution; (6) drugged driving and adverse public health consequences from cannabis use; (7) growth of cannabis on federal lands; and (8) cannabis possession or use on federal property.

In addition, as it did for the fiscal year 2015, Congress enacted an omnibus spending bill for fiscal year 2016 including a provision prohibiting the U.S. Department of Justice (which includes the Drug Enforcement Agency, or DEA) from using funds appropriated by that bill to prevent states from implementing their medical-use cannabis laws. This provision, however, is effective only until September 30, 2017 and must be renewed by Congress in subsequent years. In order to extend the prohibition, it must be specifically included in the fiscal year 2017 Commerce, Justice, and Science (CJS) Appropriations bill. Currently, only the Senate version of the CJS Appropriations bill includes the prohibition and the House version does not. In USA vs. McIntosh , the United States Circuit Court of Appeals for the Ninth Circuit held that this provision prohibits the U.S. Department of Justice from spending funds from relevant appropriations acts to prosecute individuals who engage in conduct permitted by state medical-use cannabis laws and who strictly comply with such laws. However, the Ninth Circuit's opinion, which only applies in the states of Alaska, Arizona, California, Hawaii and Idaho, also held that persons who do not strictly comply with all state laws and regulations regarding the distribution, possession and cultivation of medical-use cannabis have engaged in conduct that is unauthorized, and in such instances the U.S. Department of Justice may prosecute those individuals.

The Issuer does not intend to conduct activities which involve or support those enumerated in the Cole Memo, but federal prosecutors have significant discretion in their interpretation of these priorities. Therefore, no assurance can be given that the federal prosecutor in each judicial district where the Issuer operates will agree that the activities of the Issuer within such prosecutor's district do not involve those enumerated in the Cole Memo. There is also no guarantee that the current administration or future administrations will not revise the federal enforcement priorities enumerated in the Cole Memo or otherwise choose to strictly enforce the federal laws governing cannabis production or distribution.

Political and regulatory risks also exist due to the recent election of Donald Trump to the U.S. presidency, and the appointment of Sen. Jeff Sessions to the post of Attorney General. Mr. Trump's positions regarding marijuana are difficult to discern; however, Sen. Sessions has been a consistent opponent of marijuana legalization efforts throughout his political career. It remains unclear what stance the Department of Justice under the new administration might take toward legalization efforts in U.S. states, but federal enforcement of the Controlled Substances Act and other applicable laws is possible.

Despite the legal, regulatory, and political obstacles the marijuana industry currently faces, the industry has continued to grow.

U.S. Federal Laws in Respect of Banking

Under U.S. federal law it may potentially be a violation of federal money laundering statutes for financial institutions to take any proceeds from marijuana sales or any other Schedule I substance. Canadian banks are also hesitant to deal with cannabis companies, due to the uncertain legal and regulatory framework of the industry. Banks and other financial institutions could be prosecuted and possibly convicted of money laundering for providing services to cannabis businesses. Under U.S. federal law, banks or other financial institutions that provide a cannabis business with a checking account, debit or credit card, small business loan, or any other service could be found guilty of money laundering or conspiracy. Despite these laws, the U.S. Treasury Department issued a memorandum in February of 2014 outlining the pathways for financial institutions to bank marijuana businesses in compliance with federal law. Under these guidelines, financial institutions must submit a "suspicious activity report" ("**SAR**") as required by federal money laundering laws. These marijuana related SARs are divided into three categories: marijuana limited, marijuana priority, and marijuana terminated, based on the financial institution's belief that the marijuana business follows state law, is operating out of compliance with state law, or where the banking relationship has been terminated. In the U.S., a bill has been tabled in Congress to grant banks and other financial institutions immunity from federal criminal prosecution for servicing marijuana related businesses if the underlying marijuana business follows state law. This bill has not been passed and there can be no assurance with that it will be passed in its current form or at all. In both Canada and the United States, transactions involving banks and other financial institutions are both difficult and unpredictable under the current legal and regulatory landscape. Due to the potential federal money laundering concerns detailed above, companies in the cannabis space have an extremely limited ability to obtain financing through traditional banking channels. Therefore, Nevada's cannabis industry has been funded almost exclusively via private capital markets, as private financing has demonstrated particular interest in the nascent cannabis industry in Nevada due to its potential for high growth. Access to debt financing via private channels is available for businesses in the cannabis industry in Nevada, including NMG. Legislative changes to help reduce these challenges would eliminate these challenges for companies in the cannabis space, and would improve the efficiency of both significant and minor financial transactions.

Nevada State Laws Applicable to the Medical-Use Cannabis Industry

Nevada's medical marijuana law is codified in Chapter 453A of the Nevada Revised Statutes ("**NRS**"), with regulations contained in the corresponding chapter of the Nevada Administrative Code ("**NAC**"). Nevada voters approved a constitutional amendment to permit Medical Marijuana in 2000. The Nevada legislature enacted laws in 2001 allowing the use of Medical Marijuana, but did not provide for a method for Medical Marijuana registered users to obtain Medical Marijuana, other than growing their own.

In 2013, the Nevada legislature approved Senate Bill 374, which directed the State's Division of Public and Behavioral Health ("**DPBH**") of the Department of Health and Human Services ("**DHHS**"), to develop regulations to allow for the licensing of medical marijuana establishments ("**MMEs**") to cultivate, produce, test and dispense medical marijuana and marijuana-infused products. DPBH regulations took effect April 1, 2014, with local jurisdictions, including counties and cities, following suit by enacting their own local regulations governing MMEs. By the end of 2014, over 200 MME applications were approved.

The initial licensing process for MMEs stumbled as it underwent multiple changes during its implementation. The Nevada legislature approved SB 276 in 2015, which allowed for greater flexibility for MMEs, including changing locations and transfer of ownership of licenses.

Nevada's medical marijuana program allows for four types of MMEs: (i) cultivation facilities; (ii) producers of edible or marijuana-infused products; (iii) dispensaries; and (iv) independent testing laboratories. To obtain licensure, an applicant must: (i) apply for and receive a registration certificate; (ii) control at least $250,000 in liquid assets; (iii) not be located within 1,000 feet of a public or private school or 300 feet of a day care center, public park, religious worship structure, or any facility with a primary purpose of providing recreational activities to children and adolescents; (iv) not dispense, deliver or transfer cannabis to anyone not registered; (v) not acquire plants, plant material or cannabis products from anyone not registered with the DPBH.

Additionally, all company owners, officers, board members, employees and volunteers must comply with various requirements, including: (i) be at least 21 years of age; (ii) submit information, including fingerprints, to the DPBH; (iii) undergo a background check; (iv) not have a prior conviction for an excluded felony offense; (v) be compliant with all child support orders; (vi) be issued agent registration cards; and (vii) not have had a prior medical marijuana establishment registration card revoked for any reason.

Nevada has set a maximum number of dispensary licenses that may be issued, on a per-county basis. The City of Las Vegas is located in Clark County, the largest county in Nevada, which has been authorized to issue a maximum of 68 dispensary licenses. The State has the ability to adjust the number of dispensary licenses on an annual basis.

Nevada State Laws Applicable to the Recreational Cannabis Industry

In November of 2016 marijuana use for anyone over the age of 21 was legalized in the State of Nevada. As of July 1, 2017, Nevada opened up dispensaries to recreational users and recreational cannabis sales began. NMG is currently in the application process for a cultivation and production license for recreational marijuana.

The Independent Alcohol Distributors of Nevada ("**IADON**"), have filed a suit in District Court in Carson City, Nevada requesting a preliminary injunction against the State of Nevada Department of Taxation (the "**Department of Taxation**") to prevent the issuance of licenses to distribute recreational marijuana to anyone other than licensed alcohol distributors. The original ballot initiative passed by the voters of Nevada on November 8, 2016 provided that the Department of Taxation shall issue licenses for marijuana distributions only to persons holding a wholesaler dealer license under Chapter 369 of Nevada Revised Statutes (alcohol distributor license), unless the department determined that an insufficient number of marijuana distributors will results from the limitation. In March of 2017, the Department of Taxation determined that limiting marijuana distributors to only alcohol distributors would result in an insufficient number of marijuana distributors, and therefore allowed existing MMEs, who can legally distribute medical marijuana without a separate distributor license to apply for distributor licenses of medical marijuana. On June 20, 2017, the Judge in the IADON litigation granted IADON's motion for preliminary injunction, and thereby enjoined the Department of Taxation from issuing a retail marijuana distributor license to any person or entity other than wholesale alcohol distributors.

The DPBH governs licensing of the Medical Marijuana Program. The DPBH issued a notice on June 15, 2017 regarding recent tax changes to the Medical Marijuana Program and MMEs. With the passage of Senate Bill 487, MMEs no longer need to designate their marijuana inventory as medical or recreational. Marijuana inventory can be kept as a single inventory until the point of sale to the consumer. Prior to this change, MMEs were required to maintain separate inventory for medical marijuana vs. recreational marijuana. The separation of inventory was originally required due to different tax rates for medical vs. recreational marijuana. However, the tax structure is unified up to the point of sale to the consumer. Cultivators will pay a 15% excise tax on all marijuana at the first wholesale. This will be calculated at the fair market value, determined by the Department of Taxation, which has initially been set at $2,145 per pound. Dispensaries will collect a 10% tax on the retail sale of recreational marijuana to the consumer. No additional excise tax will be charged on the retail sale of medical marijuana to medical consumers.

Monitoring Compliance with Nevada State Laws

NMG ensures ongoing compliance via several mechanisms. NMG's internal compliance staff produces and provides all State and County reports, consistent with applicable reporting requirements. The Department of Taxation conducts surprise inspections to ensure NMG's ongoing compliance. NMG has policies and procedures governing its operations, which were approved by the State and County. NMG tracks all product via a "seed-to-sale" inventory management system, and has each batch of product independently tested, as required by State regulation.

The Department of Taxation provides updates to members of the Nevada cannabis industry via an internal mailing list. NMG's compliance staff receives and reviews these internal communications. Additionally, the Issuer and NMG have engaged Nevada counsel to monitor changes in Nevada legislation and regulation in both the medical and recreational cannabis industries, to ensure their ongoing compliance.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 Description of the Business

<u>General</u>

The principal business intended to be carried on by Body and Mind is the production and cultivation of medical marijuana in Nevada pursuant to the licenses held by NMG. NMG is currently operating under its marquee brand name of Body & Mind Inc. and produces flower, oil extracts and edibles and are available for sale in dispensaries in Nevada. On completion of the Acquisition, NMG became a wholly-owned subsidiary of Body and Mind.

The Issuer has substantially the same business that NMG had before the completion of the Acquisition. The Issuer intends to pursue the milestones and stated business objectives set out below. The Issuer anticipates it will generate sufficient cash flow from its financing activities to pay ongoing operating costs and intends to spend the total available funds as set out herein under the heading "*Principal Use of Funds*".

<u>Business Objectives</u>

In the 12 months following the completion of the Acquisition, the Issuer intends to:

(1) Improve its existing facility;
(2) Increase product availability; and
(3) Lower cost of production.

Milestones

The following table outlines how the Issuer will achieve the objectives enumerated above.

Objective	**Milestone**	**Anticipated Cost**	**Timeline from date of Listing Statement**
Improve existing facility	Finish interior expansion of Pepper Lane	$500,000	180 days (90 days for preparation and 90 days for build out)
Increase product availability	Increase new edible products and increase flower production	$150,000	Up to 90 days
Lower cost of production	Installation of production equipment and rolling benches	$250,000	Up to 180 days

Other than as described in this Listing Statement, there are no other particular significant events or milestones that must occur for the Issuer's business objectives to be accomplished. However, there is no guarantee that the Issuer will meet its business objectives or milestones described above within the specific time periods, within the estimated costs or at all. The Issuer may, for sound business reasons, reallocate its time or capital resources, or both, differently than as described above.

Total Funds Available

As at August 31, 2017 (the most recent month-end prior to the date of this Listing Statement), Body and Mind had working capital of $300,000. Body and Mind has historically relied upon equity financings to satisfy its capital requirements and will continue to depend upon equity capital to finance its activities.

The consolidated *pro forma* balance sheet of the Issuer, which gave effect to the Acquisition as if it had been completed on June 30, 2017 is attached hereto as Schedule B.

Purpose of Funds

Body and Mind currently has no revenues from its operations; however, the *pro forma* working capital position of the Issuer as at June 30, 2017, which gave effect to the Acquisition as if it had been completed on that date, was $1,543,130. The Issuer intends to use its funds over the next 12 months as described in the table below.

Use of Available Funds	***Amount, Assuming Completion of Acquisition***
General and administrative costs	$200,000
Business objectives	$900,000

Audit, legal and other professional fees	$50,000
Filing fees and transfer agent fees	$30,000
Management Fees	$120,000
Unallocated working capital	$243,130
Total	$1,543,130

There may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary. The actual amount that the Issuer spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified below, and will depend on a number of factors, including those referred to under "*Risk Factors*". However, it is anticipated that the available funds will be sufficient to satisfy the Issuer's objectives over the next 12 months.

Principal Products or Services

The Issuer will cultivate and produce medical marijuana products such as flower, oil extracts and edibles under the brand name "Body and Mind".

NMG has built its business plan around capitalizing on medical-use cannabis market. The regulated medical-use cannabis industry is a rapidly growing industry that presents a unique opportunity under current market conditions. In the United States, the development and growth of the industry has generally been driven by state law and regulation, and accordingly, the market varies on a state-by-state basis. State laws that legalize and regulate medical-use cannabis allow patients to consume cannabis for medicinal reasons with a doctor's recommendation subject to various requirements and limitations. States have authorized numerous medical conditions as qualifying conditions for treatment with medical-use cannabis, including but not limited to treatment for cancer, glaucoma, HIV/AIDs, wasting syndrome, pain, nausea, seizures, muscle spasms, multiple sclerosis, post-traumatic stress disorder (PTSD), migraines, arthritis, Parkinson's disease, Alzheimer's, lupus, residual limb pain, spinal cord injuries, inflammatory bowel disease and terminal illness. As of November 15, 2016, 29 states, plus the District of Columbia, have passed laws allowing their citizens to use medical cannabis.

Body and Mind believes that the following conditions create an attractive opportunity to invest the cultivation and production of products within the medical-use cannabis industry:

- Significant industry growth in recent years and expected continued growth;
- A shift in public opinion and increasing momentum toward the legalization of cannabis, especially as it relates to medical-use cannabis;
- Limited access to capital by industry participants in light of risk perceived by financial institutions of violating federal laws and regulatory guidelines for offering banking services to cannabis-related businesses;
- NMG is currently in the process of obtaining a recreational distribution license;
- NMG currently has three main product lines: (i) flower, (ii) edibles, and (iii) extracts; and
- NMG currently cultivates recreational marijuana.

Notwithstanding the foregoing market opportunity and trends, and despite legalization at the state level, we continue to believe that the current state of federal law creates significant uncertainty and potential risks associated with investing in medical-use cannabis facilities. For a more complete description of these risks, see the sections entitled "*Risk Factors — Risks Related to Regulation*".

Production and Sales

NMG has a number of licenses and a long-term lease for a facility allowing them to cultivate and produce medical marijuana.

Competitive Conditions

The Nevada Market

The Issuer faces competition from a variety of competitors. Several factors impacting competition include, but are not limited to, the quality control and consistency of products being produced, the hiring and retention of competent personnel within the industry, brand marketing and production costs.

The United States Market

The Issuer faces competition from a diverse mix of market participants, including but not limited to independent investors, hedge funds and other cannabis operators, all of whom may compete with the Issuer to acquire real estate zoned for medical-use cannabis facilities. The current market for medical marijuana products may be limited as more competitors enter the market.

See Item 17 – *Risk Factors – Competition.*

Lending and Investment Policies and Restrictions

Not applicable to Body and Mind or NMG.

Bankruptcy and Receivership

Body and Mind has not been the subject of any bankruptcy or any receivership or similar proceedings against Body and Mind or its subsidiary or any voluntary bankruptcy, receivership or similar proceedings by Body and Mind or its subsidiary, within the three most recently completed financial years or the current financial year.

Material Restructuring

Except for the Consolidation, Body and Mind has not been subject to any material restructuring transaction within the three most recently completed financial years nor has Body and Mind proposed any material restructuring transaction for the current financial year, other than the Acquisition or as disclosed below.

On November 11, 2014, Body and Mind approved a reverse split of the Body and Mind Common Shares on the basis of one new share for ten old shares as well as reduced its authorized capital from 100,000,000 Body and Mind Common Shares to 10,000,000 Body and Mind Common Shares.

On March 27, 2017, 150,000 Body and Mind Preferred Shares were converted to 1,500,000 Body and Mind Common Shares.

On April 11, 2017, Body and Mind increased its authorized share capital from 10,000,000 Body and Mind Common Shares with a par value of $0.0001 to 900,000,000 Body and Mind Common Shares with a par value of $0.0001.

On May 8, 2017, 2,325,500 Body and Mind Preferred Shares were converted to 23,255,000 Body and Mind Common Shares.

Social and Environmental Policies

Not applicable to Body and Mind or NMG.

4.2 Asset Backed Securities

Body and Mind does not have any asset backed securities.

4.3 Companies with Mineral Projects

Not applicable to Body and Mind or NMG.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

The following table summarizes financial information of Body and Mind for the last three completed financial years ended July 31, 2014, 2015 and 2016 and for the subsequent nine month period ended April 30, 2017. This summary financial information should only be read in conjunction with Body and Mind's financial statements and the notes thereto. See "*Financial Statements*" in section 25.1 hereof. All figures below are stated in US dollars.

	Nine Month Period Ended April 30, 2017	Year Ended July 31, 2016	Year Ended July 31, 2015	Year Ended July 31, 2014
Total revenues	Nil	Nil	Nil	Nil
Net Income (Loss)	($142,744)	$456,091	($267,519)	($266,968)
Basic and Diluted Loss per Share	($0.02)	$0.07	($0.06)	($0.12)
Total Assets	$700,546	$12,455	$16,960	$80,185
Total Long Term Liabilities	Nil	Nil	Nil	Nil
Cash dividends declared per share	Nil	Nil	Nil	Nil

5.2 Quarterly Information

The following tables summarize the financial results for each of Body and Mind's eight most recently completed quarters. This financial data has been prepared in accordance with IFRS and all figures are stated in US dollars.

	Q3 Apr 30, 2017	**Q2 Jan 31, 2017**	**Q1 Oct 31, 2016**	**Q4 Jul 31, 2016**
Revenue	Nil	Nil	Nil	Nil
Net (loss) profit for the period	($31,145)	($32,777)	($78,822)	$612,631
Basic and diluted loss per share	($0.01)	($0.01)	($0.01)	$0.09
	Q3 Apr 30, 2016	**Q2 Jan 31, 2016**	**Q1 Oct 31, 2015**	**Q4 Jul 31, 2015**
Revenue	Nil	Nil	Nil	Nil
Net (loss) profit for the period	($19,416)	($41,064)	($96,060)	($77,945)
Basic and diluted loss per share	($0.00)	($0.01)	($0.01)	($0.02)

5.3 Dividends

Body and Mind has not paid dividends or made distributions on its Body and Mind Common Shares during the past three fiscal years and through the date of this Listing Statement. Body and Mind has no present intention of paying dividends in the near future. It will pay dividends when, as and if declared by its board of directors. Body and Mind expects to pay dividends only out of retained earnings in the event that it does not require its retained earnings for operations and reserves. There are no restrictions in Body and Mind's articles of incorporation or bylaws that prevent it from declaring dividends, but Nevada corporate law prohibits Body and Mind from declaring and paying dividends if after doing so it would not be able to pay its debts as they become due in the usual course of business, or its total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution. Body and Mind has no shares with preferential dividend and distribution rights authorized or outstanding.

5.4 Foreign GAAP

Body and Mind 's financial statements are prepared in accordance with U.S. GAAP and audited in accordance with U.S. PCAOB GAAS since Body and Mind is in the process of filing a Form 10 registration statement under the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") with the U.S. Securities and Exchange Commission (the "**SEC**"). The Form 10 registration statement required Body and Mind as a "smaller reporting company" as defined under Item 10(f)(1) of Regulation S-K to furnish financial statements prepared in accordance with generally accepted accounting principles in the U.S.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

(a) Annual MD&A

Body and Mind's annual Management's Discussion and Analysis ("**MD&A**") for its most recent fiscal year ended July 31, 2016 has been posted and is accessible at www.sedar.com. This 2016 annual MD&A is specifically incorporated into and forms an integral part of this Listing Statement.

(b) Interim MD&A

Each of Body and Mind's interim MD&A for the third quarter ended April 30, 2017, the second quarter ended January 31, 2017, and the first quarter ended October 31, 2016 has been posted and is accessible at www.sedar.com. Each MD&A for the said fiscal periods is specifically incorporated into and forms an integral part of this Listing Statement, and should be read in conjunction with Body and Mind's financial statements and the notes thereto for the corresponding time periods.

7. MARKET FOR SECURITIES

Body and Mind is a reporting issuer in British Columbia and Ontario, and its common shares are listed and posted for trading on the CSE under the symbol "BAM".

Body and Mind is in the process of filing a Form 10, which is a requirement for reporting issuers under the Exchange Act, to be updated every 90 days from the date of the last filing.

8. CONSOLIDATED CAPITALIZATION

On April 11, 2017, the share capital of Body and Mind was amended to increase the authorized Body and Mind Common Shares from 10,000,000 to 900,000,000.

On November 14, 2017, Body and Mind consolidated its share capital on the basis of one new Body and Mind Common Share for every three old Body and Mind Common Shares.

Body and Mind has issued 47,066,876 Body and Mind Common Shares and 9,469,427 Common Share purchase warrants ("**Body and Mind Warrants**"). Each Body and Mind Warrant entitles the holder to purchase one Body and Mind Common Share until November 14, 2019 at a price of $0.90 per Body and Mind Common Share.

9. OPTIONS TO PURCHASE SECURITIES

Body and Mind has a 10% rolling stock option plan for its directors, employees and consultants to acquire Body and Mind Common Shares at a price determined by the fair market value of the shares at the date of grant. Body and Mind's stock option plan provides for immediate vesting or vesting at the discretion of the Body and Mind Board at the time of the option grant.

As at the date of the Listing Statement, Body and Mind has 9,102,141 Body and Mind Warrants (as defined herein) converted from the Body and Mind Subscription Receipts and 367,286 Compensation Warrants (as defined herein) issued and outstanding.

10. DESCRIPTION OF THE SECURITIES

10.1 General

Body and Mind Securities

Body and Mind is authorized to issue one class of equity securities, the Body and Mind Common Shares. Each Body and Mind Common Share is entitled to one vote per share. The following description of Body and Mind equity securities is qualified in its entirety by reference to Body and Mind's articles of incorporation, as amended, Body and Mind's bylaws and Nevada corporate law.

Body and Mind is authorized to issue 900,000,000 Body and Mind Common Shares, USD $0.0001 par value per share. As of the date of this Listing Statement, Body and Mind has 47,066,876 Body and Mind Common Shares issued and outstanding. Holders of Body and Mind Common Shares:

- have one vote per share on election of each director and other matters submitted to a vote of stockholders;
- do not have cumulative voting rights;
- have equal rights with all holders of issued and outstanding Body and Mind Common Shares to receive dividends from funds legally available therefore, if any, when, as and if declared from time to time by the Body and Mind Board;
- are entitled to share equally with all holders of issued and outstanding Body and Mind Common Shares in all of our assets remaining after payment of liabilities, upon liquidation, dissolution or winding up of our affairs;
- do not have pre-emptive, subscription or conversion rights;
- do not have conversion or exchange rights;
- are not subject to redemption, retraction, purchase for cancellation or surrender;
- are not subject to sinking fund or purchase provision; and
- are not subject to provisions requiring the contribution of additional capital.

In connection with the Acquisition and prior to the Closing Date, on November 13, 2017 Body and Mind received approval by the Body and Mind shareholders to remove the Body and Mind Preferred Shares from the authorized share capital of Body and Mind.

NMG Securities

NMG is a Limited Liability Company. No NMG interest has been issued or transferred in the 12 month period prior to the date of this Listing Statement, other than that the entirety of the interest in NMG was transferred to Body and Mind in accordance with the completion of the Acquisition on November 14, 2017. The following table provides a summary of the NMG interests.

Registered and Beneficial Interest Holder	Percentage of NMG Interests Beneficially Held
Body and Mind, Inc.	100%
Total	**100%**

10.2-10.4 Debt and Other Securities

Other than the Body and Mind Common Shares, Body and Mind has no debt securities or other securities.

10.5 Modification of Terms

Body and Mind has not modified any of the terms of its securities.

10.6 Other Attributes

There are no other attributes of Body and Mind's securities that would materially limit or qualify the rights of any other class of securities.

10.7 Prior Sales

Body and Mind

The following table summarizes the issuances of Body and Mind Common Shares or securities convertible into Body and Mind Common Shares for the 12 month period prior to the date of this Listing Statement.

Date Issued	Class of Security	Number of Common Shares Issued/Issuable(2)	Price/ Exercise Price
August 15, 2017	Body and Mind Subscription Receipts(1)	54,612,992(3)	$0.30
April 20, 2017	Body and Mind Common Shares	26,100,000(4)	$0.05

Notes:

(1) Body and Mind issued 27,306,496 Body and Mind Subscription Receipts at $0.22 per Body and Mind Subscription Receipt for gross proceeds of $6,007,429.894 in four tranches. Upon satisfaction of certain escrow conditions, each Body and Mind Subscription Receipt converted into one pre-Consolidation Body and Mind Common Share and one Body and Mind Warrant entitling the holder to purchase one pre-Consolidation Body and Mind Common Share at a price of $0.30 per Body and Mind Common Share for 24 months from closing. In connection with the issuance of Body and Mind Subscription Receipts, Body and Mind granted the finders 1,101,880 Body and Mind Common Share purchase warrants ("**Compensation Warrants**") entitling the holder to acquire that number of pre-Consolidation Body and Mind Common Shares at an exercise price of $0.22 per Body and Mind Common Share for 24 months from closing.

(2) Common Shares issued or issuable pre-Consolidation.

(3) Post-Consolidation, the Body and Mind Subscription Receipts converted to 9,102,141 Body and Mind Common Shares and 9,102,141 Body and Mind Warrants. Post-Consolidation, the Compensation Warrants converted to 367,286 Body and Mind Warrants.

(4) Post-Consolidation, these are consolidated to 8,700,000 Body and Mind Common Shares.

NMG

NMG is a Limited Liability Company and does not have outstanding securities. Prior to the closing of the Acquisition, the relationship between NMG and its stakeholders was governed by a Limited Liability Company Agreement of Nevada Medical Group, LLC, effective December 7, 2015, where each member owned a percentage of NMG via an "interest" in the assets and profits of NMG. No NMG interest has been issued or transferred in the 12 month period prior to the date of this Listing Statement, other than that the entirety of the interest in NMG was transferred to Body and Mind in accordance with the completion of the Acquisition on November 14, 2017.

10.8 Stock Exchange Price

Body and Mind Common Shares used to be listed and posted for trading on the CSE under the symbol "DEP". The following table sets out the price ranges and volume traded or quoted on the CSE for the Body and Mind Common Shares for the fiscal quarters commencing January 31, 2016 to the date of this Listing Statement.

Month Ended	**High**	**Low**	**Volume(1)**
October 31, 2017(2)	-	-	-
September 30, 2017(2)	.27	.25	61,000
August 31, 2017	.33	.275	159,400
Quarter Ended	**High**	**Low**	**Volume(1)**
October 31, 2017(2)	.33	.25	220,400
July 31, 2017	.33	.19	1,476,733
April 30, 2017	.15	.03	313,000
January 31, 2017	.23	.03	164,300
October 31, 2016	.25	.07	43,000
July 31, 2016	.25	.02	304,500
April 30, 2016	.02	.02	58,600
January 31, 2016	.04	.02	101,100

Notes:

(1) Trading volume figures have not been adjusted to account for the Consolidation expected to be completed prior to the Closing Date of the Acquisition.
(2) Trading was halted on September 7, 2017.

11. ESCROWED SECURITIES

As required under the policies of the CSE, Principals of the Issuer will enter into an escrow agreement as if the company was subject to the requirements of NP 46-201. Escrow releases will be scheduled at periods specified in NP 46-201 for emerging issuers, that is, 10% will be released upon completion of the Amalgamation followed by six subsequent releases of 15% each every six months thereafter. The form of the escrow agreement must be as provided in NP 46-201.

The table below includes the details of escrowed securities that will be held by Principals of the Issuer upon the completion of the Acquisition:

Name of Securityholder	Designation of Class Held in Escrow	Number of Securities Held in Escrow	Percentage of Class
TI Nevada, LLC (1)	Body and Mind Common Shares	2,037,879(2)	4.33%(5)
Leonard Clough	Body and Mind Common Shares	413,333	.88%(5)
Toro Pacific Management(3)	Body and Mind Common Shares	771,167	1.63%(5)
Nicole Clough(4)	Body and Mind Common Shares	399,187	.84%(5)
KAJ Universal Real Estate Investments, LLC(6)	Body and Mind Common Shares	3,920,000	8.33%(5)
SW Fort Apache, LLC(7)	Body and Mind Common Shares	3,920,000	8.33%(5)

Notes:

(1) TI Nevada, LLC is a company controlled by Robert Hasman, Chief Executive Office, President and Director of NMG and Director of the Issuer.
(2) Includes the 2,037,879 Body and Mind Common Shares to be issued to TI Nevada, LLC in connection with the Acquisition.
(3) Toro Pacific Management is a company controlled by Leonard Clough, Chief Executive Officer, President and Director of the Issuer. Toro Pacific Management will be issued Body and Mind Common Shares on its escrow release schedule.
(4) Nicole Clough is the spouse of Leonard Clough.
(5) The total issued and outstanding Body and Mind Common Shares is 47,066,876.
(6) KAJ Universal Real Estate Investments, LLC is a company controlled by Kevin Hooks, Director of the Issuer
(7) SW Fort Apache, LLC is a company controlled by Robert Hasman, Chief Executive Office, President and

Director of NMG and Director of the Issuer.

The shares of the Issuer held by TI Nevada, LLC are further subject to a voluntary pooling agreement to be entered into between Body and Mind and TI Nevada, LLC (the "**TI Nevada Pooling Agreement**"), pursuant to which the shares of the Issuer held by TI Nevada, LLC ("**TI Nevada Pooled Shares**") will be released from pooling in accordance with the following schedule:

3 months after the Closing Date (the "**First Release Date**") and every 3 months thereafter for the next 30 months	169,823 of the TI Nevada Pooled Shares
36 months after the First Release Date	169,826 of the TI Nevada Pooled Shares

In addition, Body and Mind Payment Shares received by the NMG Members are further subject to the Voluntary Pooling Agreements, pursuant to which the Body and Mind Payment Shares will be released from pooling to the NMG Members in accordance with the following schedule:

6 months after the Closing Date	10% of the respective Body and Mind Payment Shares
12 months after the Closing Date	20% of the respective Body and Mind Payment Shares
18 months after the Closing Date	25% of the respective Body and Mind Payment Shares
24 months after the Closing Date	45% of the respective Body and Mind Payment Shares

12. PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and executive officers of Body and Mind, no persons or corporations beneficially owned, directly or indirectly, or exercised control or direction over, any voting securities of Body and Mind carrying more than 10% of the voting rights attached to any class of voting securities of Body and Mind as at the date of this Listing Statement.

13. DIRECTORS AND OFFICERS

13.1 Particulars of Directors and Officers

Body and Mind

The following table sets out the names, municipalities of residence, the number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, and the offices held in The Issuer and the principal occupation of the directors and senior officers during the past five years as follows:

Name & Municipality of Residence and Position[1]	Principal Occupation and Positions Held During the Last Five Years[1]	Director or Officer Since	Number of Shares Owned or Controlled[2]	Percentage of Issued and Outstanding Shares
Dong Shim CEO & Director Vancouver, British Columbia	CEO and director of The Issuer. President and founder of both SHIM Accounting Corporation (June 2013 to present) and Golden Tree Capital Corp. (November 2015 to present). CFO for International Private Vault Inc. (March 2014 to present), and a director of National Issuer Services Ltd. (December 2016 to present). CEO and CFO for Tabu Equity Investments Inc., an equity investment company based in Vancouver, British Columbia (May 2017 to present), CFO for ePlay Digital Inc., a technology company based in Calgary, Alberta (November 2016 to present), CFO for Arizona Silver Exploration Inc., a junior mining company based in Vancouver, British Columbia (August 2017 to present), CFO for Canamex Resources Corp., a junior mining company based in Vancouver, British Columbia (August 2017 to present).	December 15, 2016	73,792	0.16%
Darren Tindale CFO & Director North Vancouver, British Columbia	CFO and director of the Issuer (March, 2017 to present). CFO of Batero Gold Corp. (December 2012 to December 2013). Director of Finance of Bingham Group Services Corp. (Dec 2015 to July 2016). President of Stonerock Financial Ltd. (pre-2012 to present).	March 6, 2017	200,000	0.42%
Chris Macleod Director Toronto, Ontario	Director of the Issuer (July 2016 to present). Partner at Cambridge LLP (pre-2012 to present).	July 15, 2016	33,333	0.07%

Notes:

(1) The information as to the municipality of residence and principal occupation, not being within the knowledge of the Issuer, has been furnished by the respective directors and officers individually.

(2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Issuer, has been furnished by the respective directors and officers individually. These figures are provided on a post-Consolidation basis.

Each director was elected (i) by the shareholders at the annual meeting of shareholders or (ii) by the Body and Mind Board between annual meetings of shareholders, and serves until the next annual meeting of shareholders and until his successor is elected and qualified. Body and Mind held annual meetings within 90 days of the end of each fiscal year. Body and Mind's officers were appointed by the Body and Mind Board.

Prior to Closing on November 14, 2017, the directors, executive officers and promoters of Body and Mind as a group held directly or indirectly 307,125 Body and Mind Common Shares, or 0.65% of the issued and outstanding Body and Mind Common Shares.

The Issuer

Since completion of the Acquisition, the following individuals have been the executive officers of the Issuer and/or comprise the Issuer Board, and the directors and officers of Body and Mind resigned from their respective positions with Body and Mind.

Name & Municipality of Residence and Position[1]	Principal Occupation and Positions Held During the Last Five Years[1]	Director or Officer Since	Number of Shares Owned or Controlled[2]	Percentage of Issued and outstanding Shares
Leonard Clough CEO, President & Director West Vancouver, British Columbia	Owner and President of Toro Pacific Management (2013 to present); Consultant for Kingfisher Advisors (2012 through 2013.	November 14, 2017	1,583,687	3.36%
Darren Tindale CFO North Vancouver, British Columbia	CFO and director of Body and Mind (March, 2017 to present). CFO of Batero Gold Corp. (December 2012 to December 2013). Director of Finance of Bingham Group Services Corp. (Dec 2015 to July 2016). President of Stonerock Financial Ltd. (pre-2012 to present).	March 6, 2017	200,000	0.32%
Robert Hasman Director Las Vegas, Nevada	CEO and founder of NMG and BaM (2014 to present). President, founder and corporate broker of Sperry Van Ness - Resort Management, LLC (2008 to 2014).	November 14, 2017	5,957,879	12.66%
Kevin Hooks Director Las Vegas, Nevada	President and CEO of The Virtuous Group	November 14, 2017	3,920,000	8.3%
Chris Macleod Director Toronto, Ontario	Director of Body and Mind (July 2016 to present). Partner at Cambridge LLP (pre-2012 to present).	July 15, 2016	33,333	0.07%
Dong Shim Director Vancouver, British Columbia	CEO and director of Body and Mind. President and founder of both SHIM Accounting Corporation (June 2013 to present) and Golden Tree Capital Corp. (November 2015 to present). CFO for International Private Vault Inc. (March 2014 to present), and a director of National Issuer Services Ltd. (December 2016 to present). CEO and CFO for Tabu Equity Investments Inc., an equity investment company based in Vancouver, British Columbia (May 2017 to present), CFO for ePlay Digital Inc., a technology company based in Calgary, Alberta (November 2016 to present), CFO for Arizona Silver Exploration Inc., a junior mining company based in Vancouver, British Columbia (August 2017 to present), CFO for Canamex Resources Corp., a junior mining company based in Vancouver, British Columbia (August 2017 to present).	December 15, 2016	73,792	0.16%

Notes:

(1) The information as to the municipality of residence and principal occupation, not being within the knowledge of Body and Mind, has been furnished by the respective directors and officers individually.
(2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of Body and Mind, has been furnished by the respective directors and officers individually. These figures are provided on a post-Consolidation basis.

13.4 Board Committees

Audit Committee

The purpose of the Audit Committee (the "**Committee**") is to oversee the accounting and financial reporting processes of Body and Mind and the audits of its financial statements, and thereby assist the Body and Mind Board in monitoring (1) the integrity of the financial statements of Body and Mind, (2) compliance by Body and Mind with legal and regulatory requirements related to financial reporting, (3) the performance and independence of Body and Mind's independent auditors, and (4) performance of Body and Mind's internal controls and financial reporting process. The Committee performs such functions as may be assigned by law, by Body and Mind's articles or similar documents, or by the Body and Mind Board. The Committee has the power to conduct or authorize investigations into any matters within its scope of responsibilities, with full access to all books, records, facilities and personnel of Body and Mind, its auditors and its legal advisors. In connection with such investigations or otherwise in the course of fulfilling its responsibilities under this charter, the Committee has the authority to independently retain special legal, accounting, or other consultants to advise it, and may request any officer or employee of Body and Mind, its independent legal counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee has the power to create specific sub-committees with all of the power to conduct or authorize investigations into any matters within the scope of the charter of the sub-committee, with full access to all books, records, facilities and personnel of Body and Mind, its auditors and its legal advisors. In particular, the Committee may delegate to one or more independent Committee members the authority to pre-approve non-audit services provided that the pre-approval is presented to the Committee at the first scheduled meeting following such pre-approval. Body and Mind's independent auditor is ultimately accountable to the Body and Mind Board and to the Committee, who, as representatives of Body and Mind's shareholders, have the ultimate authority and responsibility to evaluate the independent auditor, appoint and replace the independent auditor, and to determine appropriate compensation for the independent auditor. In the course of fulfilling its specific responsibilities hereunder, the Committee must maintain free and open communication between Body and Mind's independent auditors, the Body and Mind Board and Body and Mind management. The responsibilities of a member of the Committee are in addition to such member's duties as a member of the Body and Mind Board. While the Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Committee to plan or conduct audits or to determine that Body and Mind's financial statements are complete, accurate, and in accordance with generally accepted accounting principles.

<u>Membership</u>

1. The Committee shall consist of a minimum of three members of the Body and Mind Board, appointed annually, the majority of whom are affirmatively confirmed as independent by the Body and Mind Board, with such affirmation disclosed in Body and Mind's annual public disclosures;
2. A member of the Committee may be replaced at any time by the Body and Mind Board and will cease to be a member upon ceasing to be a Director of Body and Mind;

3. The Body and Mind Board will elect, by a majority vote, one member as chairperson of the Committee;
4. The Committee will appoint its own secretary who need not be a Director of Body and Mind;
5. Each member of the Committee shall be able to read and understand financial statements, including balance sheets, income statements, and cash flow statements;
6. At least one member of the Committee will be an audit committee financial expert as defined by the applicable rules set out by the SEC or any other applicable regulatory authority;
7. No director who has participated in the preparation of the financial statements of Body and Mind or any current subsidiary of Body and Mind at any time during the past three years will be eligible for membership on the Committee;
8. Any member of the Committee who serves on more than three public company audit committees must inform the Chairman of the Body and Mind Board who will consider and assess that member's ability to be effective on the Committee; and
9. A member of the Committee may not, other than in his or her capacity as a member of the Committee, the Body and Mind Board, or any other Body and Mind Board committee, accept any consulting, advisory, or other compensatory fee from Body and Mind, and may not be an affiliated person of Body and Mind or any subsidiary thereof.

Members

The following directors of the Issuer comprise the Committee: Dong Shim, Chris Macleod, and Kevin Hooks.

13.5 Other Occupations

Other occupations of the directors and officers of the Issuer are set out above in section 13.1 hereof, above. In addition, the undernoted directors of Body and Mind also serve as directors and/or officers of other reporting issuers or reporting issuer equivalents, as follows:

Name	Other Reporting Issuers
Dong Shim	Arizona Silver Exploration Inc. (TSXV: AZS) Canamex Resources Corp. (TSXV: CSQ) Tabu Equity Investments Inc. (formerly TNX Maverick Resources Inc.) Mission Ready Services Inc. (TSXV: MRS) ePLAY DIGITAL INC. (CSE: EPY)

13.6 Cease Trade Orders or Bankruptcies

To the knowledge of Body and Mind, no current or proposed director, officer or promoter of Body and Mind, or a security holder anticipated to hold sufficient securities of Body and Mind to affect materially the control of Body and Mind is, or within 10 years before the date hereof, has been, a director or officer of any other company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other company access to any exemptions under Ontario securities law, that was issued at the time such person was acting in the capacity as director or officer, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of Body and Mind has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

13.7-13.8 Penalties or Sanctions

To the knowledge of Body and Mind, no director, officer or promoter of Body and Mind, or a security holder anticipated to hold sufficient securities of Body and Mind to affect materially the control of Body and Mind is, or within 10 years before the date hereof, has been, a director or officer of any other Issuer that, while that person was acting in that capacity, has:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.9 Personal Bankruptcies

No director or officer of Body and Mind is, or has, within the 10 years prior to the date hereof, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

13.10 Conflicts of Interest

To the best of Body and Mind's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among Body and Mind, its promoters, directors and officers or other members of management of Body and Mind or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to Body and Mind and their duties as a director or officer of such other companies. If a conflict of interest arises at a meeting of the Body and Mind Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

13.11 Management

Body and Mind

The following is a brief description of the education and business experience during at least the past five years of each of Body and Mind's directors and executive officers.

Dong H. Shim (age 34), Chief Executive Officer and director

Mr. Shim is a Chartered Professional Accountant in Canada and a Registered Certified Public Accountant in the state of Illinois, USA. He is currently the President and founder of both SHIM Accounting Corporation and Golden Tree Capital Corp. providing accounting and other business advisory services to numerous companies in various industries. Mr. Shim also serves as the CFO for International Private Vault Inc., a private company based in British Columbia, Canada, and as a director of National Issuer Services Ltd., a transfer agent company based in British Columbia, Canada.

Mr. Shim devoted approximately 20% of his time to Body and Mind. He is an independent contractor and had not entered into a non-competition or non-disclosure agreement with Body and Mind.

Upon completion of the Acquisition, Mr. Shim resigned as CEO of Body and Mind.

Darren Tindale (age 45), Chief Financial Officer and director

Mr. Tindale brings over 17 years of financial accounting and management experience and has worked for both public and private companies. Mr. Tindale has served as Chief Financial Officer for numerous TSX Venture listed companies.

Mr. Tindale devoted approximately 40% of his time to Body and Mind. He is an independent contractor and had not entered into a non-competition or non-disclosure agreement with Body and Mind.

Chris MacLeod (age 47), director

Chris MacLeod is a Partner in Cambridge LLP. His practice focuses on complex business litigation including cross-border dispute resolution, multi-jurisdictional litigation and private international law. .Chris is a frequent speaker and writer on topics relevant to cross-border litigation, conflict of laws and private international law. He has appeared before all levels of Court in the Province of Ontario, including the Ontario Court of Appeal. He has also appeared before the Supreme Court of Canada as co-counsel for an intervenor in Canada (Prime Minister) v. Khadr, 2010 SCC 3, [2010] 1 S.C.R. 44.

The Issuer

The following is a brief description of the education and business experience during at least the past five years of each of the Issuer's proposed directors and executive officers.

Leonard Clough (age 43), Chief Executive Officer, President and a director

Mr. Clough has been involved in capital markets for more than 20 years. He first began his career at RBC Dominion Securities Inc. where he spent 13 years. He then founded Kingfisher Advisors SA, an investment management company formed to manage a registered Cayman Islands mutual fund specializing in special situations and mining. Mr. Clough is currently the President of Toro Pacific Management Inc., a diversified holding company and serves as a director of Dynasty Metals & Mining Inc.

Mr. Clough expects to devote approximately 70% of his time to the Issuer. He will be an independent contractor and is not expected to enter into a non-competition or non-disclosure agreement with the Issuer.

Robert Hasman (age 37), director

Mr. Hasman is the founder and CEO of NMG and BaM. As CEO of NMG, Mr. Hasman was responsible for building the NMG, which included directing all aspects of strategy, growth, coordinating and supervising of all phases of construction & business development process from conceptual through final construction. Mr. Hasman was responsible for obtaining state and local licensing for three medical marijuana facilities, sourced real estate, secured management and operational personnel, met with local government officials, coordinated with design consultants, and crafted application materials. Mr. Hasman was also responsible for all operation, hands-on knowledge of all aspects of operating a commercial regulated medical marijuana cultivation and production facility, compliance, construction and managing a large-scale cultivation facility.

Mr. Hasman obtained a Bachelor of Arts degree in Political Science from the University of Ohio. Mr. Hasman expects to devote approximately 70% of his time to the Issuer.

Kevin Hooks (age 55), director

Mr. Hooks has over 22 years of experience in the area of pharmacy practice. He has been a Nevada resident since 1992. In addition to the proactive member centric educational programs that Mr. Hooks has been directly involved in, he has worked close with other agencies to provide physicians with the tools needed to better their specific practice and prescribing of pharmaceuticals.

Mr. Hooks was a founder and former CEO of Catalyst RX, a pharmacy benefit manager with over $6 billion USD in sales. Catalyst RX was sold in 2012 for $4.4 billion USD.

Mr. Hooks is a graduate of Ohio State University and University of Toledo with a Bachelor of Science in Pharmacy.

Mr. Hooks expects to devote approximately 15% of his time to the Issuer.

Dong H. Shim (age 34), director

Mr. Shim is a Chartered Professional Accountant in Canada and a Registered Certified Public Accountant in the state of Illinois, USA. He is currently the President and founder of both SHIM Accounting Corporation and Golden Tree Capital Corp. providing accounting and other business advisory services to numerous companies in various industries. Mr. Shim also serves as the CFO for International Private Vault Inc., a private company based in British Columbia, Canada, and as a director of National Issuer Services Ltd., a transfer agent company based in British Columbia, Canada.

Mr. Shim expects to devote approximately 15% of his time to the Issuer.

Darren Tindale (age 45), Chief Financial Officer

Mr. Tindale brings over 17 years of financial accounting and management experience and has worked for both public and private companies. Mr. Tindale has served as Chief Financial Officer for numerous TSX Venture listed companies.

Mr. Tindale expects to devote approximately 50% of his time to the Issuer. He will be an independent contractor and is expected to enter into a non-competition or non-disclosure agreement with the Issuer.

Chris MacLeod (age 47), director

Chris MacLeod is a Partner in Cambridge LLP. His practice focuses on complex business litigation including cross-border dispute resolution, multi-jurisdictional litigation and private international law. .Chris is a frequent speaker and writer on topics relevant to cross-border litigation, conflict of laws and private international law. He has appeared before all levels of Court in the Province of Ontario, including the Ontario Court of Appeal. He has also appeared before the Supreme Court of Canada as co-counsel for an intervenor in Canada (Prime Minister) v. Khadr, 2010 SCC 3, [2010] 1 S.C.R. 44.

Mr. MacLeod expects to devote approximately 15% of his time to the Issuer.

14. CAPITALIZATION

14.1 Issued Capital

	Number of Securities		**% of Issued Capital**	
As of November 10, 2017[(1)]	**(non-diluted)**	**(fully-diluted)**	**(non-diluted)**	**(fully-diluted)**
Public Float				
Total outstanding (A):	47,066,876	56,536,303	100%	100%
Held by Related Persons or employees of Body and Mind or Related Person of Body and Mind, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in Body and Mind (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in Body and Mind upon exercise or conversion of other securities held) (B):	11,768,691	11,768,691	25%	20.82 %

Total Public Float (A) - (B):	35,298,185	44,767,612	75%	79.18 %

Freely-Tradable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C):	26,655,525	26,655,525	56.63%%	47.15 %
Total Tradable Float (A) - (C)[(2)]:	20,411,351	29,880,785	43.37%	52.85 %

Note:

[(1)] Calculated on a post-Closing and post-Consolidation basis.

[(2)] Calculated on a post-Closing and post-Consolidation basis. Body and Mind, as a Nevada Corporation, is required to place a restrictive legend on any securities issued pursuant to an exemption from the registration requirements under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"). Management of Body and Mind does not currently know how many shares of common stock have had the restrictive legend under the U.S. Securities Act removed to allow for resale of such shares over the CSE, however, the resale safe harbor pursuant to Rule 144 under the U.S. Securities Act, would not be available, if at all, until at least 12 months from the date of distribution of such securities and any securities issued within the last 12 months have been included in the calculation of securities subject to resale restrictions.

Public Securityholders (Registered)

For the purposes of the following table, "public securityholders" are persons other than persons enumerated in section (B) of the above Issued Capital table, and only registered holders are listed.

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities[(1)]
1 - 99 securities	37	304
100 – 499 securities	16	1,045
500 – 999 securities	6	1,428
1,000 – 1,999 securities	9	3,533
2,000 – 2,999 securities	13	9,322
3,000 – 3,999 securities	3	3,168
4,000 – 4,999 securities	0	0
5,000 or more securities	153	24,852,071
Total	**237**	**24,870,871**

Note:

(1) These are estimated share ranges based on the pre-consolidation share range reports as at September 21, 2017, and

the subscriptions for the subscription receipts that converted on November 14, 2017.

Public Securityholders (Beneficial)

For the purposes of the following table, "public securityholders (beneficial)" include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary; but does not include "non-public securityholders" being those persons enumerated in section (B) of the above Issued Capital table.

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities(1)
1 - 99 securities	50	388
100 – 499 securities	40	2,947
500 – 999 securities	17	3,541
1,000 – 1,999 securities	25	9,733
2,000 – 2,999 securities	29	21,216
3,000 – 3,999 securities	9	9,568
4,000 – 4,999 securities	7	9,833
5,000 or more securities	262	27,141,421
Unable to confirm		
Total	**439**	**27,198,647**

Note:

(1) These are estimated share ranges based on the pre-consolidation share range reports as at September 21, 2017, and the subscriptions for the subscription receipts that converted on November 14, 2017.

Non-Public Securityholders (Registered)

For the purposes of this table, "non-public securityholders" are persons enumerated in section (B) of the above Issued Capital table.

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0

Size of Holding	Number of holders	Total number of securities
4,000 – 4,999 securities	0	0
5,000 or more securities	6	11,768,691
Total	**6**	**11,768,691**

14.2 Convertible/Exchangeable Securities

As at the date of the Listing Statement, there were Body and Mind Warrants (converted from the Body and Mind Subscription Receipts) and Compensation Warrants issued and outstanding, as follows:

Description of Security	Number of Convertible/Exchangeable Securities Outstanding[(1)]	Number of Listed Securities Issuable Upon Conversion/Exercise
Body and Mind Warrants[(2)]	9,102,141	9,102,141
Compensation Warrants[(3)]	367,286	367,286

Notes:

(1) Body and Mind issued 27,306,496 Body and Mind Subscription Receipts at $0.22 per Body and Mind Subscription Receipt for gross proceeds of $6,007,429.89 in four tranches. Upon satisfaction of certain escrow conditions, each Body and Mind Subscription Receipt converted into one pre-Consolidation Body and Mind Common Share and one Body and Mind Warrant entitling the holder to purchase one pre-Consolidation Body and Mind Common Share at a price of $0.30 per Body and Mind Common Share for 24 months from closing. In connection with the issuance of Body and Mind Subscription Receipts, Body and Mind granted the finders 1,101,880 Compensation Warrants entitling the holder to acquire that number of pre-Consolidation Body and Mind Common Shares at an exercise price of $0.22 per Body and Mind Common Share for 24 months from closing.

(2) Post-Consolidation, the Body and Mind Subscription Receipts converted to 9,102,141 Body and Mind Warrants.

(3) Post-Consolidation, the Compensation Warrants converted to 367,286 Body and Mind Warrants.

14.3 Other Listed Securities

Not applicable. There are no listed securities of Body and Mind currently reserved for issuance.

15. EXECUTIVE COMPENSATION

15.1 Form 51-102F6

General

For the purposes of this section:

"**CEO**" means an individual who acted as the Chief Executive Officer of Body and Mind, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as the Chief Financial Officer of Body and Mind, or acted in a similar capacity, for any part of the most recently completed financial year;

"**incentive plan**" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

"**incentive plan award**" means compensation awarded, earned, paid or payable under an incentive plan;

"**NEO**" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of Body and Mind's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 for that financial year; and

(d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of Body and Mind, nor acting in a similar capacity, at the end of that financial year;

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features; and

"**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Compensation Discussion and Analysis

Compensation Program Objectives

Body and Mind has not established a strategy for setting executive salary levels, creating standards it applies in setting compensation levels or what factors it intends to encourage by establishing compensation levels. Body and Mind has issued Body and Mind Common Shares periodically to NEOs in lieu of cash compensation and reimbursement of expenses. When it begins to generate revenue from the sale of its technology and products, the Issuer expects to compensate NEOs at levels comparable to executive officers of companies within its industry at similar stages of growth.

The Body and Mind Board does not currently consider the implications of the risks associated with the Issuer's compensation policies and practices.

Although permitted, at this time no NEO or director has or intends to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Elements of the Compensation Program

The total compensation plan for NEOs only consists of one component at this time: base salary or consulting fees. There is no policy or target regarding cash and non-cash elements of Body and Mind's compensation program. To date, Body and Mind has not granted any stock options to NEOs.

Base Salary

The base salary component of NEO compensation is intended to provide a fixed level of competitive pay that reflects each NEO's primary duties and responsibilities. The policy of Body and Mind is that salaries for its NEOs are competitive within its industry and generally set at the median salary level among entities its size.

In July 2016, Body and Mind hired a new CEO with an annual base salary of CAD$0.

In December 2016, Body and Mind re-hired its former CFO with an annual base salary of CAD$24,000.

The rationale of Body and Mind is to focus compensation on variable or performance-based compensation.

Stock Options

Effective October 25, 2012, the Body and Mind Board adopted the 2012 Incentive Stock Option Plan (the "**Body and Mind Option Plan**"). The purpose of the Body and Mind Option Plan is to enhance the long-term shareholder value of Body and Mind by offering opportunities to directors, executive officers, key employees and eligible consultants of Body and Mind to acquire Body and Mind Common Shares in order to give these persons the opportunity to participate in Body and Mind's growth and success, and to encourage them to remain in the service of Body and Mind.

Previous grants will be taken into account when considering new grants and a maximum of 10% of the number of issued and outstanding Body and Mind Common Shares are available for issuance under the Body and Mind Option Plan.

Compensation Governance

Body and Mind does not currently have a compensation committee. The Body and Mind Board is responsible for determining the compensation to be paid to the directors and executive officers of Body and Mind. Body and Mind does not have any formal compensation policies and the practices adopted by the Body and Mind Board to determine the compensation for Body and Mind's directors and executive officers is described above.

<u>Summary Compensation Table</u>

Dong Shim, director and Body and Mind's current Chief Executive Officer, Darren Tindale, director and Body and Mind's current Chief Financial Officer, and Murray Simser, Body and Mind's former Chief Executive Officer and director are NEOs for the purposes of the following disclosure.

The compensation for those NEOs, directly or indirectly, for Body and Mind's three most recently completed financial years is as follows:

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($) Annual incentive plans	Non-equity incentive plan compensation ($) Long-term incentive plans	Pension Value ($)	All other compensation ($)	Total compensation ($)
Murray Simser[(1)]	2016	-	-	-	-	-	-	-	Nil
Former CEO and director	2015	-	-	-	-	-	-	-	Nil
	2014	-	-	-	-	-	-	-	Nil
David Eppert[(2)]	2016	-	-	-	-	-	-	-	Nil
Former Chairman,	2015	72,000	-	-	-	-	-	-	72,000
President, CEO and Director	2014	113,667	-	-	-	-	-	-	113,667
Andre Thompson[(2)]	2016	-	-	-	-	-	-	-	Nil
Former Vice President of	2015	36,000	-	-	-	-	-	-	36,000
Operations, Secretary and Director	2014	80,126	-	-	-	-	-	-	80,126
Dong Shim[(3)]	2016	24,000	-	-	-	-	-	-	24,000
CEO, Director, Former CFO	2015	19,000	-	-	-	-	-	-	19,000
	2014	4,938	-	-	-	-	-	-	4,938
Darren Tindale	2016	-	-	-	-	-	-	-	Nil
CFO and Director	2015	-	-	-	-	-	-	-	Nil
	2014	-	-	-	-	-	-	-	Nil

Notes:

(1) Mr. Simser resigned from Body and Mind in August 2017, concurrent with the appointment of Mr. Shim as CEO and Mr. Tindale as Director of Body and Mind. Post-Closing, the CEO is Leonard Clough..

(2) Mr. Eppert and Mr. Thompson resigned from Body and Mind in July 2016, concurrent with the appointment of Mr. Simser and the new Chairman, President, CEO and Director of Body and Mind.

(3) Mr. Shim was appointed CFO in December, 2016 with an annual base salary of CAD$24,000. He resigned on March 6, 2017.

During Body and Mind's three most recently completed financial years, it did not pay any other executive compensation to its NEOs.

Body and Mind has not entered into formal employment agreements with any of its executive officers. However, it currently compensates NEOs, as well as certain other executive officers, pursuant to informal arrangements.

Incentive Plan Awards

Body and Mind did not have any share-based awards, option-based awards or incentive plan awards outstanding at the end of its most recently completed financial year.

Pension Plan Benefits

Body and Mind has no pension plans that provide for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

Body and Mind has not entered into formal employment agreements with any of its NEOs, and there are no informal arrangements that provide for payments to an NEO at, following or in connection with any termination, resignation, retirement, a change in control of the Issuer or a change in the NEOs responsibilities.

Director Compensation

Body and Mind does not currently provide any compensation to its directors in their capacity as such. As a result, none of the directors of Body and Mind received any compensation in any form during Body and Mind's most recently completed financial year.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

16.1 Aggregate Indebtedness

No existing or proposed director, executive officer or senior officer of Body and Mind or any associate of any of them, was indebted to Body and Mind as at the financial year ended July 31, 2016, or is currently indebted to Body and Mind.

16.2 Indebtedness under Securities Purchase and Other Programs

Not applicable.

17. RISK FACTORS

17.1 Risk Factors

The following risk factors should be carefully considered in evaluating Body and Mind. The risks presented below may not be all of the risks that Body and Mind may face. It is believed that these are the factors that could cause actual results to be different from expected and historical

An investment in Body and Mind Common Shares (and correspondingly an investment in the common shares of the Issuer) should be considered highly speculative, not only due to the nature of NMG's existing business and operations, but also due to the uncertainty related to the completion of the Acquisition and the expected business of the Issuer upon completion of the Acquisition. In evaluating the Acquisition, holders of Body and Mind Common Shares and investors generally should carefully consider not only the following risk factors relating to Body and Mind Common Shares and to the Acquisition, but the risk factors associated with the business of NMG set out below. The following list of risk factors is not a definitive list of all risk factors associated with the Acquisition. Additional risks and uncertainties, including those currently known or considered immaterial by Body and Mind or NMG, may also adversely affect Body and Mind Common Shares and/or the business of Body and Mind.

Market Reaction

The market reaction to the Acquisition and the future trading prices of Body and Mind Common Shares cannot be predicted.

Termination of the Transaction in Certain Circumstances

Each of Body and Mind and NMG has the right to terminate the Share Exchange Agreement in certain circumstances. Accordingly, there is no certainty, nor can the parties provide any assurances that the Share Exchange Agreement will not be terminated by either Body and Mind or NMG before the completion of the Acquisition. In addition, the completion of the Acquisition is subject to a number of conditions precedent, certain of which are outside the control of Body and Mind and NMG, including regulatory approvals. There is no certainty that these conditions will be satisfied on a timely basis or at all. If for any reason the Acquisition is delayed or not completed, the market price of Body and Mind Common Shares may be adversely affected. See "*Risk Factors – Market Reaction*" above.

Additional Financing

From time to time, the Issuer may require additional financing. The Issuer's ability to obtain additional financing, if and when required, will depend on investor demand, operating performance, the condition of the capital markets and other factors. If the Issuer raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences, or privileges senior to the rights of holders of Body and Mind Common Shares, and existing holders of such shares may experience dilution.

Holding Company Status

The Issuer is, at least initially upon completion of the Acquisition, a holding company and essentially all of its operating assets are the capital stock of its subsidiaries. As a result, investors in the Issuer are subject to the risks attributable to its subsidiaries. As a holding company, the Issuer conducts substantially all of its business through its subsidiaries, which generate substantially all of its revenues. Consequently, the Issuer's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to the Issuer. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing their debt. In the event of a bankruptcy, liquidation or reorganization of any of the Issuer's subsidiaries, holders of indebtedness and trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to the Issuer.

Limited Operating History

NMG was formed on March 3, 2014 and began carrying on business in the same year and is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues.

Litigation

NMG may become party to litigation from time to time in the ordinary course of their respective businesses which could adversely affect their respective operations. Should any litigation in which NMG become involved be determined against NMG respectively, such a decision may adversely affect NMG's respective abilities to continue operating, adversely affect the market price of common shares of the Issuer and use significant resources. Even if NMG, as the case may be, is involved in litigation and succeeds, litigation can redirect significant company resources. Litigation may also create a negative perception of the Body and Mind brand, and ultimately the Issuer's brand.

Limited Market for Securities

There can be no assurance that an active and liquid market for the Issuer shares will be maintained and an investor may find it difficult to resell any securities of the Issuer.

Liquidity Risk

The Issuer's ability to remain liquid over the long term depends on its ability to obtain additional financing. The Issuer's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Foreign Currency Risk

The Issuer will operate in Nevada, United States to begin and may expand to other jurisdictions, and as a result, the Issuer will be exposed to foreign currency risk on fluctuations related to cash and accrued liabilities that are denominated in a foreign currency.

Product Liability

If licensed as a manufacturer and distributor of products designed to be ingested by humans, NMG faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of NMG's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of its products alone or in combination with other medications or substances could occur. The Issuer may be subject to various product liability claims, including, among others, that its products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Issuer could result in increased costs, could adversely affect the Issuer's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Issuer. There can be no assurances that the Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Issuer's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of NMG's or the Issuer's products are recalled due to an alleged product defect or for any other reason, the Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Issuer intends to implement detailed procedures for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of NMG's significant brands were subject to recall, the image of that brand and the Issuer could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Issuer's products and could have a material adverse effect on the results of operations and financial condition of the Issuer. Additionally, product recalls may lead to increased scrutiny of the Issuer's regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Risks related to operating in Cannabis Industry

Operations in United States

Currently the Issuer's sole assets are in Nevada, United States. Any expansion may also include operations in various jurisdictions of the United States. As such, the Issuer will be deriving a portion of its revenues from the cannabis industry in one or more U.S. states where local state law permits such activities, however such industry is illegal under the federal law of the United States. As a result of the conflicting views between state legislatures and the federal government regarding cannabis, investments in cannabis business in the United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the Controlled Substances Act with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, which may adversely affect the current and future investments of the Issuer in the United States.

There is also no guarantee that the Issuer will be granted a license for the cultivation and production of recreational cannabis. There is further uncertainty as to whether or not the Issuer will be granted a distribution license as the law in Nevada currently only grants distribution licenses to persons holding a wholesaler dealer license under Chapter 369 of Nevada Revised Statutes. It is unclear whether the Department of Taxation will appeal the preliminary injunction granted to IADON in order to grant distribution licenses to MMEs.

Operations in Canada

The Issuer is not anticipated to have operations in Canada on closing of the Acquisition, however the Issuer may in the future expand to operations in Canada. The cannabis industry in Canada is highly regulated and rapidly evolving. As such risks may emerge related to these future operations, and management may not be able to predict such risk or be able to predict how such risks may result in actual results differing from any expected results. The cannabis industry in Canada is subject to extensive controls and regulations, and legislation is being developed relating to the expansion of the industry from medical access only to non-medical access, both federally and provincially. As a result, any future operations in Canada are expected to be significantly affected by such legislation and regulations, particularly as they affect the financial condition of market participants, the number of participants in the industry, and facility requirements.

IADON Litigation

NMG may experience increased costs for being required to use third-party distributors, due to an unresolved dispute between the Nevada Department of Taxation and IADON.

Prior to Nevada's legalization of recreational marijuana, its medical marijuana program allowed licensed cultivation facilities, production facilities and dispensaries to transport marijuana between licensed MMEs. However, under Nevada's recreational marijuana legalization initiative, passed by Nevada voters on November 8, 2016, this was changed. It contained a restrictive provision that for 18 months after the Department of Taxation begins to receive applications for marijuana establishments, the Department of Taxation would only issue licenses for marijuana distributors to persons holding an alcohol distribution license, *unless* the Department of Taxation determined that an insufficient number of marijuana distributors would result from this limitation.

NMG has submitted its application for a marijuana distributor license, and has paid all of the applicable licensing fees. NMG's license review is pending with the Department of Taxation. However, NMG will likely not receive its distributor license in the near future, due to ongoing litigation between IADON and the Department of Taxation.

In leading up to the launch of recreational marijuana sales on July 1, 2017, the Department of Taxation made a determination in March that there would be an insufficient number of marijuana distributors based on the limited response to its call for distributor license applications, and lifted the restriction. The Department of Taxation proceeded to accept applications for distributor licenses from many existing MMEs, who have the infrastructure and know-how to handle the distribution of recreational marijuana.

IADON filed suit on June 13, 2017, requesting a preliminary injunction against the Department of Taxation from issuing any marijuana distributor licenses to any person or entity other than wholesale alcohol distributors.[1] Carson City Judge James Wilson granted IADON's request for a preliminary injunction on June 20, 2017, ordering the Department of Taxation to not issue marijuana distributor licenses to any person other than wholesale alcohol distributors, nor to make any determination of insufficiency of the number of marijuana distributors until it has adopted valid rules for determining the appropriate number of distributors needed to serve the market. The Department of Taxation has appealed the ruling to the Nevada Supreme Court, with briefs due near the end of August 2017. Resolution of the appeal will likely take several months.

The Department of Taxation issued emergency regulations on July 6, 2017, which were endorsed by the Governor of Nevada, to establish rules to determine that an insufficient number of marijuana distributors will result from limiting marijuana distribution licenses solely to persons holding wholesale alcohol distribution licenses. The emergency regulations were adopted by the Nevada Tax Commission on July 13, 2017, giving the Department of Taxation until July 23, 2017 to gather evidence.

IADON filed for an injunction requesting Carson City Judge James Russell to stop the emergency

[1] See *Independent Alcohol Distributors of Nevada v. Nevada Department of Taxation*, Case No. 17 OC 00098 1B, First Judicial District Court, State of Nevada.

regulations from taking effect. Judge Russell rejected IADON's request for an injunction on July 24, 2017.[2]

The Department of Taxation held a public hearing on August 10, 2017 to hear testimony and review evidence, to determine whether there was an insufficient number of marijuana distributors resulting from limiting marijuana distribution licenses only to persons holding wholesale alcohol distribution licenses. After hearing testimony and reviewing evidence from both sides, the Department of Taxation decided that based on the emergency regulations adopted on July 13, 2017, it determined that there are an inadequate number of liquor distributors interested in transporting marijuana, and that distribution licenses should be opened up to others.

IADON filed an application for a temporary restraining order, seeking to halt the Department of Taxation from issuing distributor licenses. Judge Russell granted the temporary restraining order on the basis that it appeared that the Department of Taxation had pre-determined its conclusion, and that the hearing held by the Department of Taxation on August 10, 2017, did not meet certain criteria, in that the alcohol distributors should have been provided with an adequate opportunity to prepare, present evidence, cross-examine witnesses, and view and analyze the data or information the Department of Taxation relied upon in making its determination. Judge Russell set the matter for a preliminary injunction hearing on August 17, 2017.

If the courts find in favor of IADON, then wholesale alcohol distributors will have exclusive rights to transport marijuana. NMG may experience increased costs and inefficiencies for having to use a third-party for distribution purposes, especially due to the fact that there are currently only five licensed distributors in the State of Nevada.

If the courts find in favor of the Department of Taxation, then NMG will likely be granted a distributor license, enabling NMG to distribute its own product to retail dispensaries. This would result in lower distribution and overall operating costs for NMG.

Competition

The Issuer may face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than NMG. Increased competition by larger and better financed competitors could materially and adversely affect the proposed business, financial condition and results of operations of the Issuer.
In addition, the State of Nevada has only issued to date a small number of licenses to produce and sell medical marijuana. There are, however, many applicants for licenses. The number of licenses granted could have an impact on the operations of the Issuer. Because of early stage of the industry in which NMG operates, the Issuer expects to face additional competition from new entrants. If the number of users of medical marijuana in the United States increases, the demand for products will increase and the Issuer expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, the Issuer will require a continued high level of investment in research and development, marketing, sales and client support. The Issuer may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Issuer.

Environmental and Employee Health and Safety Regulations

Medical marijuana operations are subject to environmental and safety laws and regulations

[2] See *Independent Alcohol Distributors of Nevada v. Nevada Department of Taxation*, Case No. 17 OC 00153 1B, First Judicial District Court, State of Nevada.

concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions in manufacturing operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations or give rise to material liabilities, which could have a material adverse effect on the proposed business, results of operations and financial condition of the Issuer.

Risks Inherent in an Agriculture Business

The business of the Issuer would involve the growing of cannabis, which is an agricultural product. As such, the Issuer's business is subject to the risks inherent in the agricultural business, such as pests, plant diseases and similar agricultural risks.

Vulnerability to Rising Energy Costs

Cannabis growing operations consume considerable energy, making the Issuer vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of the Issuer.

Difficult to Forecast

Detailed sales forecasts are not generally obtainable from sources at this early stage of the medical marijuana industry in the United States. A failure in the demand for products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the proposed business, results of operations and financial condition of the Issuer.

Unfavourable Publicity or Consumer Perception

Management of NMG believes the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical marijuana produced. Consumer perception of the Issuer's proposed products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical marijuana products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical marijuana market or any particular product, or consistent with earlier publicity.

Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could

have a material adverse effect on the demand for the Issuer's proposed products and the business, results of operations, financial condition and cash flows of the Issuer. The Issuer's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Issuer, the demand for its proposed products, and the business, results of operations, financial condition and cash flows of the Issuer. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical marijuana in general, or the Issuer's proposed products specifically, or associating the consumption of medical marijuana with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

17.2 Additional Securityholder Risk

There is no risk that a securityholder of the Issuer may become liable to make an additional contribution beyond the price of the security.

17.3 Other Risks

Subject to the risk factors set out in section 17.1 above, there are no other material risk factors that a reasonable investor would consider relevant to an investment in the Issuer's shares.

18. PROMOTERS

No person or company has been, within the two years immediately preceding the date of this listing statement, a promoter of Body and Mind.

19. LEGAL PROCEEDINGS

19.1 Legal Proceedings

Body and Mind is not, and was not during its most recently completed fiscal year, engaged in any legal proceedings and none of its property is or was during that period the subject of any legal proceedings. Body and Mind does not know of any such legal proceedings which are contemplated.

19.2 Regulatory Actions

During the three years immediately preceding the date of this listing statement, Body and Mind has not been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, any other penalties or sanctions imposed by a court or regulatory body, or entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority.

Since its organization in March of 2014, NMG has not been the subject of any penalties or sanctions imposed by a court relating to medical marijuana or recreational marijuana legislation or by a marijuana regulatory authority, any other penalties or sanctions imposed for material non-compliance with any applicable state or local regulation, code or law, any material citations for violation of any applicable state or local regulation or law, or entered into any settlement agreements before a court relating to medical marijuana or recreational marijuana legislation or with a medical marijuana or recreational marijuana regulatory authority.

20. INTEREST OF MANAGEMENT & OTHERS IN MATERIAL TRANSACTIONS

20.1 Interest of Management and Others in Material Transactions

No director or executive officer of Body and Mind or any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class of Body and Mind's outstanding voting securities, or an associate or affiliate of any such persons or companies, has any material interest, direct or indirect, in any transaction within the three years preceding the date of this document, or any proposed transaction, that has materially affected or will materially affect Body and Mind or a subsidiary of Body and Mind.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

Body and Mind's auditor is Adam Sung Kim Ltd., Chartered Professional Accountant, of Unit 114B, 8988 Fraserton Court, Burnaby, British Columbia V5J 5H8. Body and Mind's transfer agent and registrar is Presidents Stock Transfer Inc., of 215-515 Pender Street, Vancouver, British Columbia V6B 6H5.

22. MATERIAL CONTRACTS

Except as noted below and other than contracts made in the ordinary course of business, there were no material contracts entered into by Body and Mind within two years prior to the date hereof and which are currently in effect.

Body and Mind is currently a party to the following material contracts:

1. Share Exchange Agreement among Body and Mind, NevadaCo, and NMG dated September 14, 2017.

See "*Fundamental Change or Acquisition*" in section 2.4 hereof.

23. INTEREST OF EXPERTS

No person or company named in this document as having prepared or certified a part of the document or a report described in this document and no responsible solicitor or any partner of a responsible solicitor's firm, holds any material beneficial interest, direct or indirect, in any securities or property of Body and Mind or of an associate or affiliate of Body and Mind.

24. OTHER MATERIAL FACTS

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to Body and Mind.

25. FINANCIAL STATEMENTS

25.1 Financial Statements of Issuer

The following financial statements of Body and Mind which have been posted and are accessible under Body and Mind's SEDAR profile at www.sedar.com, are specifically incorporated into and form an integral part of this Listing Statement:

(a) **Annual Financial Statements**

(i) Annual Audited Consolidated Financial Statements of Body and Mind including the auditor's report from Adam Sung Kim Ltd., Chartered Professional Accountant, for the financial year ended July 31, 2016;

(ii) Annual Audited Consolidated Financial Statements of Body and Mind including the auditor's report from Adam Sung Kim Ltd., Chartered Professional Accountant, for the financial year ended July 31, 2015;

(iii) Annual Audited Consolidated Financial Statements of Body and Mind including the auditor's report from Adam Sung Kim Ltd., Chartered Professional Accountant, for the financial year ended July 31, 2014;

(b) Interim Financial Statements

(i) Unaudited Interim Financial Statements of Body and Mind for the three and nine months ended April 30, 2017;

(ii) Unaudited Interim Financial Statements of Body and Mind for the three and six months ended January 31, 2017; and

(iii) Unaudited Interim Financial Statements of Body and Mind for the three months ended October 31, 2016.

25.2 Financial Statements of NMG and the Issuer

Consolidated Financial Information of NMG

Annual Information

The following table summarizes financial information of the Issuer for the last two completed financial years ended December 31, 2015 and 2016 and for the subsequent six month period ended June 30, 2017. This summary financial information should only be read in conjunction with NMG's financial statements and the notes thereto. See Schedule A. All figures are stated in US dollars.

	Six Month Period Ended June 30, 2017	**Year Ended December 31, 2016**	**Year Ended December 31, 2015**
Total revenues	846,404	1,631,316	Nil
Net Income (Loss)	(538,186)	(143,427)	674,584
Total Assets	2,556,218	2,223,537	1,362,454
Total Long Term Liabilities	Nil	Nil	Nil
Cash dividends declared per share	Nil	Nil	Nil

Quarterly Summary

The following tables summarize the financial results for each of NMG's most recently completed quarter. This financial data has been prepared in accordance with US GAAP and all figures are stated in US dollars. Financial results for prior fiscal quarters are not available as NMG has not historically produced financial statements on a quarterly basis.

	Q3 June 30, 2017
Revenue	519,577
Net (loss) profit for the period	83,193

Dividends

NMG has not paid dividends or made distributions on its NMG Securities since March 3, 2014 (the date of incorporation) through the date of this Listing Statement. Body and Mind has no present intention of paying dividends in the near future. There are no restrictions in NMG's articles of incorporation or bylaws that prevent it from declaring dividends, but Nevada corporate law prohibits NMG from declaring and paying dividends if after doing so it would not be able to pay its debts as they become due in the usual course of business, or its total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution. NMG has no shares with preferential dividend and distribution rights authorized or outstanding.

Foreign GAAP

Body and Mind's financial statements are prepared in accordance IFRS. Body and Mind is in the process of filing a Form 10 registration statement under the Exchange Act with the SEC. The Form 10 registration statement requires Body and Mind as a "smaller reporting company" as defined under Item 10(f)(1) of Regulation S-K to furnish financial statements prepared in accordance with generally accepted accounting principles in the U.S.

<u>Financial Statements of NMG</u>

The audited financial statements of NMG for the years ended December 31, 2015 and December 31, 2016, prepared in accordance with US GAAP, are attached hereto as Schedule A.

<u>Pro-Forma Financial Statements of the Issuer</u>

The *pro forma* consolidated financial statements of the Issuer, giving effect to the Acquisition for the three and nine month period ended April 30, 2017, prepared in accordance with US GAAP, are attached hereto as Schedule B.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Body and Mind, Inc. hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Body and Mind, Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 17th day of November, 2017.

"Leonard Clough"	*"Darren Tindale"*
Leonard Clough Chief Executive Officer, President & Director	Darren Tindale Chief Financial Officer
"Chris Macleod"	*"Dong Shim"*
Chris Macleod Director	Dong Shim Director
"Robert Hasman"	*"Kevin Hooks"*
Robert Hasman Director	Kevin Hooks Director

CERTIFICATE OF THE TARGET

The foregoing contains full, true and plain disclosure of all material information relating to Nevada Medical Group LLC. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Las Vegas, Nevada this 17th day of November, 2017.

"Robert Hasman"

Robert Hasman
Chief Executive Officer

DEPLOY TECHNOLOGIES INC.

(A Development Stage Company)

FINANCIAL STATEMENTS

31 July 2016

(Expressed in U.S. Dollars)

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Adam Kim
ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
Deploy Technologies Inc.

I have audited the accompanying financial statements of Deploy Technologies Inc. (the "Company"), which comprise the statements of financial position as at July 31, 2016 and July 31, 2015, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years ended July 31, 2016 and July 31, 2015 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained in my audits is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2016 and July 31, 2015, and its financial performance and its cash flows for the years ended July 31, 2016 and July 31, 2015 in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying my opinion, I draw attention to Note 1 in the financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Burnaby, British Columbia
November 28, 2016

Deploy Technologies Inc. <u>Statement 1</u>

(A Development Stage Company)

Statements of Financial Position

(U.S. Dollars)

ASSETS		As at 31 July 2016		As at 31 July 2015
Current				
Amounts receivable and prepaid	$	7,355	$	5,782
Available-for-sale securities *(Note 5)*		1		1
		7,356		5,783
Property, plant and equipment *(Note 6)*		5,099		11,177
	$	12,455	$	16,960
LIABILITIES				
Current				
Trade payables and accrued liabilities	$	242,109	$	231,860
Due to related parties *(Note 8)*		41,714		593,240
Loans payable *(Note 9)*		76,048		69,092
		359,871		894,192
SHAREHOLDERS' DEFICIENCY				
Share Capital – *Statement 3 (Note 10)*				
Authorized:				
10,000,000 Common Shares – Par Value $0.0001				
20,000,000 Class A Preferred Shares – Par Value $0.0001				
Issued and Outstanding:				
6,557,973 (31 July 2015 – 6,557,973) Common Shares		544		544
2,475,500 (31 July 2015 – 2,475,500) Preferred Shares		248		248
Contributed Surplus		3,358,082		3,358,082
Foreign Currency Translation Reserve		266,749		192,464
Shares to be Issued *(Note 10)*		-		560
Deficit		(3,973,039)		(4,429,130)
		(347,416)		(877,232)
	$	12,455	$	16,960

Nature and Continuance of Operations *(Note 1)*

Approved and authorized for issue by the Board on 28 November 2016

ON BEHALF OF THE BOARD:

"Chris MacLeod" , Director

"Murray Simser" , Director

The accompanying notes are an integral part of these financial statements.

Deploy Technologies Inc. Statement 2

(A Development Stage Company)

Statements of Income (Loss) and Comprehensive Income (Loss)

(U.S. Dollars)

	Year Ended 31 July 2016	2015
General and Administrative Expenses		
Accounting and legal *(Note 8)*	$ 29,977	$ 20,356
Consulting fees *(Notes 8)*	27,112	30,788
Depreciation *(Note 6)*	6,553	27,049
Management fees *(Notes 8)*	54,223	60,379
Office and miscellaneous	11,447	19,890
Loss Before Other Items	(129,312)	(158,462)
Other Items		
Other income	949	-
Foreign exchange, net	(65,536)	(72,437)
Settlement of liabilities *(Notes 8)*	651,053	-
Write off of accounts receivable	(1,063)	-
Write-down of fleet management technology	-	(36,620)
Net Income (Loss) for the Year	$ 456,091	$ (267,519)
Other Comprehensive Income		
Foreign currency translation adjustment	74,285	205,677
Comprehensive Income (Loss) for the Year	$ 530,376	$ (61,842)
Income (Loss) per Share – Basic and Diluted	$ 0.07	$ (0.06)
Weighted Average Number of Shares Outstanding	6,557,973	4,627,418

Deploy Technologies Inc.

(A Development Stage Company)

Statements of Changes in Shareholders' Deficiency

(U.S. Dollars)

Statement 3

	Share Capital								
	Common Shares		Class A Preferred Shares		Contributed	Foreign Currency Translation	Shares to be		
	Number	Amount	Number	Amount	Surplus	Reserve	Issued	Deficit	Total
Balance – 31 July 2014	2,312,973	119	2,900,000	290	3,358,465	(13,213)	560	(4,161,611)	(815,390)
Conversion of preferred shares	4,245,000	425	(424,500)	(42)	(383)	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	-	205,677	-	-	205,677
Loss for the year	-	-	-	-	-	-	-	(267,519)	(267,519)
Balance – 31 July 2015	6,557,973	544	2,475,500	248	3,358,082	192,464	560	(4,429,130)	(877,232)
Reclassified as a liability	-	-	-	-	-	-	(560)	-	(560)
Foreign currency translation adjustment	-	-	-	-	-	74,285	-	-	74,285
Income for the year	-	-	-	-	-	-	-	456,091	456,091
Balance – 31 July 2016	6,557,973	544	2,475,500	248	3,358,082	266,749	-	(3,973,039)	(347,416)

The accompanying notes are an integral part of these financial statements.

Deploy Technologies Inc. Statement 4

(A Development Stage Company)

Statements of Cash Flows

(U.S. Dollars)

	Year Ended 31 July	
Cash Resources Provided By (Used In)	2016	2015
Operating Activities		
Income (loss) for the year	$ 456,091	(267,519)
Items not affecting cash:		
Accrued interest *(Note 9)*	2,738	4,034
Depreciation *(Note 6)*	6,553	27,049
Settlement of liabilities	(651,053)	-
Foreign exchange	3,861	(14,773)
Write-down of fleet management technology	-	36,620
Amounts receivable and prepaid	(1,573)	539
Trade payables and accrued liabilities	9,689	(30,286)
Due to related parties	99,409	38,169
	(74,285)	(206,167)
Investing Activities		
Purchase of property, plant and equipment	-	(35)
Effect of exchange rate changes on cash and cash equivalents	74,285	205,667
Net Increase (Decrease) in Cash and Cash Equivalents	-	(525)
Cash and cash equivalents – Beginning of period	-	525
Cash and Cash Equivalents - End of Period	$ -	-

Supplemental Disclosures with Respect to Cash Flows *(Note 13)*

The accompanying notes are an integral part of these financial statements.

1. Nature and Continuance of Operations

Deploy Technologies Inc. (the "Company") was originally incorporated on 5 November 1998 in the State of Delaware, USA, under the name Concept Development Group, Inc. In May 2004, the Company acquired 100% of Kaleidoscope Venture Capital, Inc. (formerly Vocalscape Networks, Inc.) ("Kaleidoscope") and changed its name to Vocalscape, Inc. In November 2005, the Company changed its name to Nevstar Precious Metals Inc. and in September 2008, the Company changed its name to Deploy Technologies Inc.

On 15 September 2010, the Company completed a merger with its newly incorporated and wholly-owned subsidiary, Deploy Acquisition Corp., a Nevada corporation, formed for the sole purpose of changing the Company's state of incorporation from the State of Delaware to the State of Nevada. Although Deploy Acquisition Corp. was the surviving corporation, upon the completion of the merger it assumed the name of the Company and all the assets, obligations and commitments of the Company. Concurrent with the merger, the authorized capital of the Company decreased to 10,000,000 common shares from 50,000,000 common shares.

The Company's Nevada Charter authorizes it to issued two classes of equity securities. Accordingly, on 29 September 2011, the Company increased its authorized capital to include 2,900,000 Class A Preferred Shares. On July 2, 2014, the Company revised the authorized Class A Preferred Shares from 2,900,000 to 20,000,000 with a par value of $0.0001 per share *(Note 10).*

The Company is a development stage company. The Company is devoting all of its present efforts to the marketing and sale of its fleet management technology in order to generate revenue. The Company only recently commenced its planned principal operations, and, accordingly, it has generated minimal revenues to date.

The head office and principal address of the Company is 350 – 7th Ave SW, Suite 1500 c/o Susan Naylen Sorrell, Calgary, AB T2P 3N9.

At 31 July 2016, the Company had cash and cash equivalents of $Nil (31 July 2015 – $Nil) and a working capital deficit of $352,515 (31 July 2015 – $888,409). The funds on hand at 31 July 2016 are not sufficient to meet the Company's planned corporate, administrative and development activities for the next 12 months. Additional financing will be required to meet the Company's obligations as they fall due. Because of this uncertainty, there is significant doubt about its ability to continue as a going concern.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

Several adverse conditions cast significant doubt upon the validity of this assumption. Consistent with other entities in the development stage, the Company has incurred operating losses since inception, is generating minimal revenue, is unable to self-finance operations, and has significant cash requirements to meet its overhead and continue its development activities. The Company's ability to continue as a going concern is dependent upon management's ability to secure additional financing. While management has been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in future.

If the going concern assumption were not appropriate for these full annual financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the classifications on the statement of financial position used, and such adjustments would be material.

2. Basis of Preparation

a) Basis of Presentation

These financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value. These financial statements are presented in US dollars except where otherwise indicated.

b) Statement of Compliance

These financial statements, have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended 31 July 2016.

c) New Standards Not Yet Adopted

The IASB has issued IFRS 9 – Financial Instruments ("IFRS 9") which intends to replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39") in its entirety with three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments. The IASB tentatively decided to defer the mandatory effective date until 1 January 2018 with earlier adoption still permitted. The Company will evaluate the impact the final standard will have on its financial statements based on the characteristics of its financial instruments at the time of adoption.

3. Significant Accounting Policies

a) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts.

b) Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item.

Depreciation is provided at rates calculated to write off the cost of property, plant and equipment, less their estimated residual value, using the straight-line method over the following expected useful lives:

- Automobile — 4 years
- Tools and equipment — 3-4 years
- Furniture and office equipment — 5 years
- Website development — 3 years

3. Summary of Significant Accounting Policies – *Continued*

c) Financial Assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are included in in this category of financial assets.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3. Summary of Significant Accounting Policies – *Continued*

d) Impairment of Financial Assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

e) Financial Liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables, due to related parties and loans payable are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3. Summary of Significant Accounting Policies – *Continued*

f) De-recognition of Financial Assets and Liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

g) Impairment of Non-Financial Assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

h) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3. Summary of Significant Accounting Policies – *Continued*

i) Foreign Currencies

The Company's presentation currency is the U.S. dollar and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which the Company operates. All assets and liabilities are translated at the exchange rate in effect at the date of the statement of financial position. Revenues and expenses are translated at rates of exchange in effect during the period. Gains and losses on translation are included in equity as a separate component of other comprehensive income or loss.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

j) Taxation

Deferred tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3. Summary of Significant Accounting Policies – *Continued*

k) Share-Based Payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the contributed surplus. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

l) Comparative Figures

Certain comparative figures have been reclassified in accordance with the current year's presentation.

4. Fair Value of Financial Instruments

Categories of financial instruments

		As at 31 July 2016		As at 31 July 2015
FINANCIAL ASSETS				
Available-for-sale, at fair value				
Kaleidoscope (5,694 common shares)		1		1
Total financial assets	$	1	$	1
FINANCIAL LIABILITIES				
Other liabilities, at amortized cost				
Trade payables	$	168,276	$	157,722
Due to related parties		41,714		593,087
Loans payable		76,048		69,092
	$	286,038	$	819,901

Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the short term maturity of these instruments and the nature of the loans.

4. Fair Value of Financial Instruments – *Continued*

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 31 July 2016, the Company does not have any Level 3 financial instruments.

As at 31 July 2016	Level 1	Total
Financial assets at fair value		
Available-for-sale	$ 1	$ 1
Total financial assets at fair value	$ 1	$ 1

As at 31 July 2015	Level 1	Total
Financial assets at fair value		
Available-for-sale	$ 1	$ 1
Total financial assets at fair value	$ 1	$ 1

Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Company is not exposed to credit risk as it does not hold cash in excess of federally insured limits, with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is exposed to liquidity risk as it has a working capital deficit of $359,871 as at 31 July 2016. However, the Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the term deposits is limited.

Currency risk

The Company is exposed to currency risk by incurring expenditures and holding assets denominated in currencies in the Canadian dollar. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Other risks

The Company is not exposed to other risks unless otherwise noted.

5. Available-for-Sale Securities

	31 July 2016		31 July 2015	
	Cost	Fair Value	Cost	Fair Value
Kaleidoscope 5,694 (31 July 2015 – 5,694) common shares	$ 1	$ 1	$ 1	$ 1

6. Property, Plant and Equipment

	Automobile	Tools and equipment	Furniture and office equipment	Website development costs	Total
Cost					
Balance, 1 August 2015	$ 21,615	$ 79,107	$ 13,986	$ 10,048	$ 124,756
Additions	-	-	-	-	-
Foreign exchange adjustment	9	31	5	4	49
Balance, 31 July 2016	$ 21,624	$ 79,138	$ 13,991	$ 10,052	$ 124,805
Accumulated depreciation					
Balance, 1 August 2015	$ 21,615	$ 69,214	$ 12,702	$ 10,048	$ 113,579
Depreciation	-	5,794	759	-	6,553
Foreign exchange adjustment	9	(458)	19	4	(426)
Balance, 31 July 2016	$ 21,624	$ 74,550	$ 13,480	$ 10,052	$ 119,706
Net book value, 31 July 2016	$ -	$ 4,588	$ 511	$ -	$ 5,099

	Automobile	Tools and equipment	Furniture and office equipment	Website development costs	Total
Cost					
Balance, 1 August 2014	$ 25,896	$ 94,731	$ 16,755	$ 12,038	$ 149,420
Additions	-	35	-	-	35
Foreign exchange adjustment	(4,281)	(15,659)	(2,769)	(1,990)	(24,699)
Balance, 31 July 2015	$ 21,615	$ 79,107	$ 13,986	$ 10,048	$ 124,756
Accumulated depreciation					
Balance, 1 August 2014	$ 25,216	$ 62,720	$ 13,084	$ 12,038	$ 113,058
Depreciation	-	25,893	1,156	-	27,049
Foreign exchange adjustment	(3,601)	(19,399)	(1,538)	(1,990)	(26,528)
Balance, 31 July 2015	$ 21,615	$ 69,214	$ 12,702	$ 10,048	$ 113,579
Net book value, 31 July 2015	$ -	$ 9,893	$ 1,284	$ -	$ 11,177

7. Fleet Management Technology

During the year ended 31 July 2015, the Company recorded a provision for write-down of $36,620 related to the fleet management technology as the Company has no immediate plans to develop a product that can be properly marketed for the purposes of earning revenues.

8. Related Party Balances and Transactions

The key management personnel compensation for the year ended 31 July 2016 and 2015 is as follows:

	31 July 2016	31 July 2015
Accounting fees	$ 18,074	$ 15,933
Management and consulting fees	81,335	90,569
Total	$ 99,409	$ 106,502

Except as disclosed elsewhere in these full annual financial statements, related party transactions for the years ended 31 July 2016 and 2015 are as follows:

a) As at 31 July 2016, the amount due to related parties includes $Nil (31 July 2015 - $340,291) payable to the former Chairman and the former Chief Executive Officer of the Company.

b) As at 31 July 2016, the amount due to related parties includes $Nil (31 July 2015 - $210,727) payable to a former director of the Company.

c) As at 31 July 2016, the amount due to related parties includes $Nil (31 July 2015 - $12,172) payable to a company controlled by the former Chief Executive Officer of the Company.

d) As at 31 July 2016, the amount due to related parties includes $4,984 (31 July 2015 - $11,498) payable to former directors of the Company.

e) As at 31 July 2016, the amount due to related parties includes $36,730 (31 July 2015 - $18,549) payable to the former Chief Financial Officer of the Company.

f) As at 31 July 2016, included in loans payable is $19,416 (31 July 2015 – $18,673) payable to a company controlled by a former director of the Company. The loans are unsecured and bear interest at a rate of 5% per annum and are due on demand. The total balance as at 31 July 2016 consists of principal and accrued interest of $14,722 (31 July 2015 - $14,717) and $4,694 (31 July 2015 - $3,956), respectively *(Note 9)*.

g) During the year ended 31 July 2016, management fees of $54,223 (2015 - $60,379) were paid/accrued to the Chairman and the Chief Executive Officer of the Company.

h) During the year ended 31 July 2016, consulting fees of $27,112 (2015 - $30,190) were paid/accrued to a former director and former Vice President of Operations of the Company.

i) During the year ended 31 July 2016, accounting fees of $18,074 (2015 - $15,933) were paid/accrued to the Chief Financial Officer of the Company.

j) During the year ended 31 July 2016, the Company settled $651,053 due to former Chief Executive Officer and former directors of the Company.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. Loans Payable

	31 July 2016 $	31 July 2015 $
On 1 August 2009, a third party issued a loan of CAD$1,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $767 (31 July 2015 - $767) and $268 (31 July 2015 - $230), respectively.	1,035	997
On 1 August 2009, a third party issued a loan of CAD$2,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $1,534 (31 July 2015 - $1,533) and $537 (31 July 2015 - $460), respectively.	2,071	1,993
On 19 November 2009, a third party issued a loan of CAD$3,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $2,300 (31 July 2015 - $2,300) and $771 (31 July 2015 - $655), respectively.	3,071	2,955
Subtotal	6,177	5,945

9. Loans Payable – *Continued*

	31 July 2016 $	31 July 2015 $
Balance carried forward	6,177	5,945
On 12 February 2010, a company controlled by the former Vice President of Operations of the Company, issued a loan of CAD$15,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $11,502 (31 July 2015 - $11,498) and $3,719 (31 July 2015 - $3,142), respectively (*Note 8*).	15,221	14,640
On 28 February 2010, a third party issued a loan of CAD$7,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $5,368 (31 July 2015 - $5,365) and $1,723 (31 July 2015 - $1,455), respectively.	7,091	6,820
On 26 March 2010, a third party issued a loan of CAD$14,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $10,735 (31 July 2015 - $10,731) and $3,409 (31 July 2015 - $2,871), respectively.	14,144	13,602
On 11 July 2010, a company controlled by the former Vice President of Operations of the Company, issued a loan of CAD$4,200. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $3,221 (31 July 2015 - $3,219) and $975 (31 July 2015 - $814), respectively (*Note 8*).	4,196	4,033
Subtotal	46,829	45,040

9. Loans Payable – *Continued*

	31 July 2016 $	31 July 2015 $
Balance carried forward	46,829	45,040
On 16 October 2012, a third party issued a loan of CAD$25,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. On 22 November 2013, the Company issued 25,000 common shares valued at CAD$25,000 related to the conversion of this loan *(Note 13)*. The balance as at 31 July 2016 consists of principal and accrued interest of $Nil (31 July 2015 - $Nil) and $2,673 (31 July 2015 - $2,672), respectively.	2,673	2,672
On 20 November 2012, a third party issued a loan of CAD$10,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $7,668 (31 July 2015 - $7,665) and $1,416 (31 July 2015 - $1,032), respectively.	9,084	8,697
On 8 April 2013, a third party issued a loan of CAD$3,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $2,300 (31 July 2015 - $2,299) and $381 (31 July 2015 - $266), respectively.	2,681	2,565
On 1 October 2013, a third party issued a loan of CAD$4,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $3,067 (31 July 2015 - $3,066) and $460 (31 July 2015 - $307), respectively.	3,527	3,373
On 2 December 2013, a third party issued a loan of CAD$8,000 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $6,135 (31 July 2015 - $6,132) and $920 (31 July 2015 - $613), respectively.	7,055	6,745
Subtotal	71,849	69,092

9. Loans Payable – *Continued*

	31 July 2016 $	31 July 2015 $
Balance carried forward	71,849	69,092
On 19 April 2016, a third party issued a loan of CAD$5,400 to the Company. The loan is unsecured and bears interest at a rate of 5% per annum and is due on demand. The balance as at 31 July 2016 consists of principal and accrued interest of $4,141 and $58, respectively.	4,199	-
	76,048	69,092

10. Share Capital

The Company's authorized share capital comprises 10,000,000 Common Shares, with a $0.0001 par value per share, and 20,000,000 Class A Preferred Shares, with a $0.0001 par value per share *(Note 1)*. Each Class A Preferred Share entitles the holder to 10 votes each.

Each Class A Preferred Share provides holders a right to receive dividends, as and if declared by the Company's board of directors, with the amount of such dividend determined by multiplying the dividend per share by 10 and a right to receive distributions, whether or not in liquidation, with the amount of such distribution determined by multiplying the distribution per share by 10. Each Class A Preferred Share can also be converted into 10 Common Shares at the election of the Company or the holder any time after two years following the date of issuance.

On 11 November 2014, the Company's Board of Directors has approved a reverse split of its common stock on the basis of one (1) new share for ten (10) old shares as well as a reduction in its authorized capital from 100,000,000 shares of common stock to 10,000,000 shares. All figures in the financial statements are adjusted to reflect the 10:1 reverse stock split.

Issued and outstanding

On 13 January 2015, a total of 424,500 Class A Preferred Shares previously owned by a company controlled by the Company's Chief Executive Officer and a director were converted into 4,245,000 common shares of the Company.

Share to be Issued

During the year ended 31 July 2016, the Company reclassified $560 share subscriptions received as accounts payable.

11. Capital Disclosure

The capital structure of the Company consists of loans payable and equity attributable to common shareholders, comprised of issued capital, contributed surplus, shares to be issued, foreign currency translation reserve and deficit. The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic condition and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank sponsored instruments.

There were no changes in the Company's approach to capital management during the year ended 31 July 2016 compared to the year ended 31 July 2015. The Company is not subject to externally imposed capital requirements.

12. Income Taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2016	2015
Net income (loss) for the year	$ 456,091	$ (267,519)
Federal and state income tax rates	35%	35%
Expected income tax expense (recovery)	$ 159,632	$ (93,632)
Change in estimates and others	45,888	-
Change in valuation allowance	(205,520)	93,632
Total income tax recovery	$ -	$ -

The significant components of the Company's deferred income tax assets and liabilities are as follows:

	As at 31 July 2016	As at 31 July 2015
Deferred income tax assets		
Net income tax operating loss carry forward	$ 2,444,745	$ 3,031,945
Statutory federal income tax rate	35%	35%
Effective income tax rate	0%	0%
Deferred income tax asset	855,661	1,061,181
Valuation allowance	(855,661)	(1,061,181)
Net future income tax assets	$ -	$ -

12. Income Taxes – *Continued*

As at 31 July 2016, the Company has unused net operating losses for U.S. federal income tax purposes of approximately $2,444,745 that are available to offset future taxable income, which, if unutilized, will expire as follows:

2031	$	240,406
2032		1,270,743
2033		421,942
2034		254,585
2035		257,069
Total	$	2,444,745

13. Supplemental Disclosures with Respect to Cash Flows

	Year Ended 31 July			
		2016		2015
Cash paid during the year for interest	$	-	$	-
Cash paid during the year for income taxes	$	-	$	-

On 22 November 2013, the Company issued 25,000 common shares valued at CAD$25,000 related to the conversion of CAD$25,000 loan by a third party *(Note 9)*.

14. Segmented Information

The Company conducts its business as a single operating segment in Canada. All property, plant and equipment and fleet management technology are situated in Canada.

DEPLOY TECHNOLOGIES INC.

(A Development Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Three and nine months ended 30 April 2017

(Expressed in U.S. Dollars)

Deploy Technologies Inc. <u>Statement 1</u>

(A Development Stage Company)

Condensed Interim Statements of Financial Position

(Unaudited)

(U.S. Dollars)

ASSETS		As at 30 April 2017		As at 31 July 2016 (Audited)
Current				
Cash	$	691,523	$	-
Amounts receivable and prepaid		9,022		7,355
Available-for-sale securities		1		1
		700,546		7,356
Property, plant and equipment		-		5,099
	$	700,546	$	12,455
LIABILITIES				
Current				
Trade payables and accrued liabilities	$	198,482	$	242,109
Due to related parties *(Note 5)*		-		41,714
Loans payable *(Note 6)*		-		76,048
		198,482		359,871
SHAREHOLDERS' EQUITY (DEFICIENCY)				
Share Capital – *Statement 3 (Note 7)*				
Authorized:				
900,000,000 Common Shares – Par Value $0.0001				
20,000,000 Class A Preferred Shares – Par Value $0.0001				
Issued and Outstanding:				
34,157,973 (31 July 2016 – 6,557,973) Common Shares		3,304		544
2,325,500 (31 July 2016 – 2,475,500) Preferred Shares		233		248
Contributed Surplus		4,292,165		3,358,082
Foreign Currency Translation Reserve		322,145		266,749
Deficit		(4,115,783)		(3,973,039)
		502,064		(347,416)
	$	700,546	$	12,455

Nature and Continuance of Operations *(Note 1)*
Subsequent Events *(Note 11)*

Approved and authorized for issue by the Board on 2 October 2017

ON BEHALF OF THE BOARD:

"Chris MacLeod" , Director

"Darren Tindale" , Director

The accompanying notes are an integral part of these condensed interim financial statements.

Deploy Technologies Inc. Statement 2

(A Development Stage Company)

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(U.S. Dollars)

	Three Month Period Ended 30 April		Nine Month Period Ended 30 April	
	2017	2016	2017	2016
General and Administrative Expenses				
Accounting and legal *(Note 6)*	$ 167	$ 10,753	$ 12,139	$ 23,394
Consulting fees *(Notes 6)*	37,259	6,792	59,392	20,177
Depreciation	(4)	1,444	1,588	5,548
Management fees *(Notes 6)*	7,547	13,584	7,547	40,354
Office and miscellaneous	16,643	4,004	27,459	8,933
Travel	22,177	-	22,177	-
Loss Before Other Items	(83,789)	(36,577)	(130,302)	(98,406)
Other Items				
Other income	-	5	-	942
Foreign exchange, net	(5,195)	18,211	(74,425)	(58,021)
Settlement of liabilities	57,839	-	61,983	-
Write off of accounts receivable	-	(1,055)	-	(1,055)
Loss for the Period	$ (31,145)	$ (19,416)	$ (142,744)	$ (156,540)
Other Comprehensive Income				
Foreign currency translation adjustment	(9,482)	(108,338)	55,396	23,731
Comprehensive Loss for the Period	$ (40,627)	$ (127,754)	$ (87,348)	$ (132,809)
Loss per Share – Basic and Diluted	$ (0.00)	$ (0.00)	$ (0.02)	$ (0.02)
Weighted Average Number of Shares Outstanding	10,638,655	6,557,973	7,878,194	6,557,973

The accompanying notes are an integral part of these condensed interim financial statements.

Deploy Technologies Inc. <u>Statement 3</u>

(A Development Stage Company)

Condensed Interim Statements of Changes in Shareholders' Deficiency

(Unaudited)

(U.S. Dollars)

	Share Capital					Foreign			
	Common Shares		Class A Preferred Shares		Contributed	Currency Translation	Shares to be		
	Number	Amount	Number	Amount	Surplus	Reserve	Issued	Deficit	Total
Balance – 31 July 2015	6,557,973	$ 544	2,475,500	$ 248	$ 3,358,082	$ 192,464	$ 560	$ (4,429,130)	$ (877,232)
Reclassified as a liability	-	-	-	-	-	-	(560)	-	(560)
Foreign currency translation adjustment	-	-	-	-	-	23,731	-	-	23,731
Loss for the period	-	-	-	-	-	-	-	(156,540)	(156,540)
Balance – 30 April 2016	6,557,973	$ 544	2,475,500	$ 248	$ 3,358,082	$ 216,195	$ -	$ (4,585,670)	$ (1,010,601)
Foreign currency translation adjustment	-	-	-	-	-	50,554	-	-	50,554
Income for the period	-	-	-	-	-	-	-	612,631	612,631
Balance – 31 July 2016	6,557,973	$ 544	2,475,500	$ 248	$ 3,358,082	$ 266,749	$ -	$ (3,973,039)	$ (347,416)
Conversion of preferred shares	1,500,000	150	(150,000)	(15)	(135)	-	-	-	-
Private placements	26,100,000	2,610	-	-	982,333	-	-	-	984,943
Share issue costs	-	-	-	-	(48,115)	-	-	-	(48,115)
Foreign currency translation adjustment	-	-	-	-	-	55,396	-	-	55,396
Loss for the period	-	-	-	-	-	-	-	(142,744)	(142,744)
Balance – 30 April 2017	34,157,973	$ 3,304	2,325,500	$ 233	$ 4,292,165	$ 322,145	$ -	$ (4,115,783)	$ 502,064

Deploy Technologies Inc. Statement 4

(A Development Stage Company)

Condensed Interim Statements of Cash Flows

(Unaudited)

(U.S. Dollars)

	Nine Month Period Ended 30 April	
Cash Resources Provided By (Used In)	2017	2016
Operating Activities		
Loss for the period	$ (142,744)	$ (156,540)
Items not affecting cash:		
Accrued interest *(Note 6)*	1,343	2,001
Depreciation	1,588	5,548
Settlement of liabilities	(61,983)	-
Foreign exchange	3,442	6,483
Amounts receivable and prepaid	(1,667)	(1,711)
Trade payables and accrued liabilities	(26,690)	11,259
Due to related parties	(41,714)	109,237
	(268,425)	(23,723)
Financing Activities		
Shares issued, net of issuance costs *(Note 7)*	936,828	-
Short term loans	19,276	-
Loans repaid	(51,552)	-
	904,552	-
Effect of exchange rate changes on cash and cash equivalents	55,396	23,731
Net Increase (Decrease) in Cash and Cash Equivalents	691,523	8
Cash and cash equivalents – Beginning of period	-	-
Cash and Cash Equivalents - End of Period	$ 691,523	$ 8

Supplemental Disclosures with Respect to Cash Flows *(Note 9)*

1. Nature and Continuance of Operations

Deploy Technologies Inc. (the "Company") was originally incorporated on 5 November 1998 in the State of Delaware, USA, under the name Concept Development Group, Inc. In May 2004, the Company acquired 100% of Kaleidoscope Venture Capital, Inc. (formerly Vocalscape Networks, Inc.) ("Kaleidoscope") and changed its name to Vocalscape, Inc. In November 2005, the Company changed its name to Nevstar Precious Metals Inc. and in September 2008, the Company changed its name to Deploy Technologies Inc.

On 15 September 2010, the Company completed a merger with its newly incorporated and wholly-owned subsidiary, Deploy Acquisition Corp., a Nevada corporation, formed for the sole purpose of changing the Company's state of incorporation from the State of Delaware to the State of Nevada. Although Deploy Acquisition Corp. was the surviving corporation, upon the completion of the merger it assumed the name of the Company and all the assets, obligations and commitments of the Company. Concurrent with the merger, the authorized capital of the Company decreased to 10,000,000 common shares from 50,000,000 common shares.

The Company's Nevada Charter authorizes it to issue two classes of equity securities. Accordingly, on 29 September 2011, the Company increased its authorized capital to include 2,900,000 Class A Preferred Shares. On 2 July 2014, the Company revised the authorized Class A Preferred Shares from 2,900,000 to 20,000,000 with a par value of $0.0001 per share.

On 11 April 2017, the Company revised the authorized capital of the Company to 900,000,000 common shares with a par value of $0.0001 *(Note 7).*

The head office and principal address of the Company is 750 – 1095 West Pender Street, Vancouver, B.C. V6E 2M6.

At 30 April 2017, the Company had cash and cash equivalents of $691,523 (31 July 2016 – $Nil) and a working capital of $502,064 (31 July 2016 – working capital deficit of $352,515). The funds on hand at 30 April 2017 are not sufficient to meet the Company's planned corporate, administrative and development activities for the next 12 months. Additional financing will be required to meet the Company's obligations as they fall due. Because of this uncertainty, there is significant doubt about its ability to continue as a going concern.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

Several adverse conditions cast significant doubt upon the validity of this assumption. Consistent with other entities in the development stage, the Company has incurred operating losses since inception, is generating minimal revenue, is unable to self-finance operations, and has significant cash requirements to meet its overhead and continue its development activities. The Company's ability to continue as a going concern is dependent upon management's ability to secure additional financing. While management has been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in future.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the classifications on the statement of financial position used, and such adjustments would be material.

2. Basis of Preparation

a) Basis of Presentation

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value. These financial statements are presented in US dollars except where otherwise indicated.

b) Statement of Compliance

These financial statements, have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these condensed interim financial statements comply with International Accounting Standards ("IAS") 34, "*Interim Financial Reporting*".

These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 July 2016 prepared in accordance with and using accounting policies in full compliance with IFRS.

c) New Standards Not Yet Adopted

On 20 June 2016, the IASB issued amendments to IFRS 2 clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for: the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments apply for annual periods beginning on or after 1 January 2018. As a practical simplification, the amendments can be applied prospectively, retrospectively, or early application is permitted if information is available without the use of hindsight. The Company intends to adopt the amendments to IFRS 2 in its consolidated financial statements for the annual period beginning on 1 January 2018. The extent of the impact of adoption of the standard has not yet been determined.

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle-based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, however is available for early adoption. In addition, the elements of IFRS 9 related to presentation of gains from changes in an entity's own credit risk can be early applied in isolation without otherwise changing the accounting for financial instruments. The Company is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

2. Basis of Preparation – *Continued*

c) New Standards Not Yet Adopted – *Continued*

The IASB issued IFRS 15, Revenue Recognition, in June 2014. The objective of IFRS 15 is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It also contains new disclosure requirements. IFRS 15 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Company is in the process of assessing the impact of IFRS 15 and has not yet determined when it will adopt the new standard. The IASB issued IFRS 16, Leases, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Earlier adoption is permitted, but only in conjunction with IFRS 15. The Company is in the process of assessing the impact of IFRS 16 and has not yet determined when it will adopt the new standard.

3. Significant Accounting Policies

These condensed interim financial statements follow the same accounting policies and methods of their application as the Company's full annual financial statements prepared in accordance with IFRS and as such should be read in conjunction with the Company's full annual financial statements for the year ended 31 July 2016. There have been no changes to the accounting policies and methods applied in the nine month period ended 30 April 2017. Certain comparative figures have been reclassified in accordance with the current period's presentation.

4. Fair Value of Financial Instruments

Categories of financial instruments

	As at 30 April 2017	As at 31 July 2016
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash	$ 691,523	$ -
Available-for-sale, at fair value		
Kaleidoscope (5,694 common shares)	1	1
Total financial assets	$ 691,524	$ 1
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	$ 198,482	$ 168,276
Due to related parties	-	41,714
Loans payable	-	76,048
	$ 198,482	$ 286,038

4. Fair Value of Financial Instruments – *Continued*

Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the short term maturity of these instruments and the nature of the loans.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 30 April 2017, the Company does not have any Level 3 financial instruments.

As at 30 April 2017		Level 1		Total
Financial assets at fair value				
Cash	$	691,523	$	691,523
Available-for-sale		1		1
Total financial assets at fair value	$	691,524	$	691,524

As at 31 July 2016		Level 1		Total
Financial assets at fair value				
Available-for-sale	$	1	$	1
Total financial assets at fair value	$	1	$	1

Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Company is not exposed to credit risk as it does not hold cash in excess of federally insured limits, with major financial institutions.

4. Fair Value of Financial Instruments – *Continued*

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company had a working capital of $502,064 as at 30 April 2017. As such, the Company is not exposed to any significant liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the term deposits is limited.

Currency risk

The Company is exposed to currency risk by incurring expenditures and holding assets denominated in currencies in the Canadian dollar. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Other risks

The Company is not exposed to other risks unless otherwise noted.

5. Related Party Balances and Transactions

The key management personnel compensation for the nine month period ended 30 April 2017 and 2016 is as follows:

	30 April 2017	30 April 2016
Accounting fees	$ 8,680	$ 13,451
Management and consulting fees	44,341	60,531
Total	$ 53,021	$ 73,982

Except as disclosed elsewhere in these full annual financial statements, related party transactions for the nine month period ended 30 April 2017 and 2016 are as follows:

a) During the nine month period ended 30 April 2017, management fees of $7,547 (2016 - $Nil) were paid/accrued to the Chief Financial Officer of the Company.

b) During the nine month period ended 30 April 2017, accounting fees of $8,680 (2016 - $13,451) were paid/accrued to the former Chief Financial Officer and a director of the Company.

c) During the nine month period ended 30 April 2017, consulting fees of $36,794 (2016 - $40,354) were paid/accrued to the former Chief Executive Officer of the Company.

d) During the nine month period ended 30 April 2017, the former Chief Executive Officer of the Company agreed to repay a loan payable to a third party (*Note 6*). As a result, the Company recorded a gain of $4,133 for the period.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

6. Loans Payable

On 19 April 2016, a third party issued a loan of CAD$5,400 to the Company. During the nine months ended 30 April 2017, the former Chief Executive Officer agreed to repay the loan on behalf of the Company (*Note 5*).

During the nine months ended 30 April 2017, the Company received $19,276 (CAD$26,341) from a third party. During the nine months ended 30 April 2017, the Company settled this loan and recorded a settlement of liabilities of $19,276 (CAD$26,341).

7. Share Capital

The Company's authorized share capital comprises 900,000,000 Common Shares, with a $0.0001 par value per share, and 20,000,000 Class A Preferred Shares, with a $0.0001 par value per share *(Note 1)*. Each Class A Preferred Share entitles the holder to 10 votes each.

Each Class A Preferred Share provides holders a right to receive dividends, as and if declared by the Company's board of directors, with the amount of such dividend determined by multiplying the dividend per share by 10 and a right to receive distributions, whether or not in liquidation, with the amount of such distribution determined by multiplying the distribution per share by 10.

Each Class A Preferred Share can also be converted into 10 Common Shares at the election of the Company or the holder any time after two years following the date of issuance.

On 11 November 2014, the Company's Board of Directors has approved a reverse split of its common stock on the basis of one (1) new share for ten (10) old shares as well as a reduction in its authorized capital from 100,000,000 shares of common stock to 10,000,000 shares. All figures in the financial statements are adjusted to reflect the 10:1 reverse stock split.

On 13 March 2017, a total of 150,000 Class A preferred shares were converted into 1,500,000 common shares of the Company.

On 19 April 2017, the Company closed a private placement issuing a total of 26,100,000 common shares for gross proceeds of CAD$1,305,000. The Company paid share issue costs of CAD$63,750 related to this private placement.

8. Capital Disclosure

The capital structure of the Company consists of loans payable and equity attributable to common shareholders, comprised of issued capital, contributed surplus, shares to be issued, foreign currency translation reserve and deficit. The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic condition and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank sponsored instruments.

There were no changes in the Company's approach to capital management during the nine month period ended 30 April 2017. The Company is not subject to externally imposed capital requirements.

9. Supplemental Disclosures with Respect to Cash Flows

	Nine Month Period Ended 30 April	
	2017	2016
Cash paid during the year for interest	$ -	$ -
Cash paid during the year for income taxes	$ -	$ -

10. Segmented Information

The Company conducts its business as a single operating segment in Canada. All assets are currently situated in Canada.

11. Subsequent Events

a. On 8 May 2017, a total of 2,325,500 Class A preferred shares were converted into 23,255,000 common shares of the Company. No Class A preferred shares remain outstanding after the conversion.

b. On 16 May 2017, the Company entered into an assignment and novation agreement (the "Assignment Agreement") with Toro Pacific Management Inc. (the "Transferor") pursuant to which the Transferor assigned a letter of intent (the "LOI") effective 12 May 2017 to the Company in accordance with its terms. The Assignment Agreement and the LOI contemplate a business combination transaction (the "Acquisition") pursuant to which the Company will acquire all of the issued and outstanding securities of Nevada Medical Group LLP ("NMG"), an arm's length Nevada-based licensed producer of medical marijuana and owner of the Body & Mind brand ("BaM"). As consideration for the Assignment Agreement, the Company will issue to the Transferor 1,000,000 common shares of the Company, on a post-Consolidated basis, at a deemed price of CAD $0.66 per share. In connection with the assignment of the LOI, the Company will pay a deposit of $50,000 to NMG, which is non-refundable and is further to be created against the cash purchase price at closing. In September 2017 the Company advanced another $100,000 non-refundable deposit and is further to be credited against the cash purchase price at closing.

c. On September 18, 2017 the Company announced that further to its news release dated May 16, 2017 the Company has entered into a definitive share exchange agreement (the "Share Exchange Agreement") effective September 14, 2017, pursuant to which the Company, through its wholly owned subsidiary DEP Nevada Inc. ("DEP Nevada"), will acquire all of the issued and outstanding membership units of Nevada Medical Group LLC ("NMG"), a Nevada limited liability company that operates in the medical marijuana space (the "Acquisition"), from the members of NMG (the "NMG Members"). The membership unit holders of NMG will receive 16,000,000 post-consolidation common shares in the capital of the Company (the "Deploy Shares") at a deemed price of CAD $0.66 per Deploy Share on a pro-rata basis. In exchange for the Deploy Shares, DEP Nevada will receive 100% of the issued and outstanding membership interests in NMG (the "NMG Interests"). The Acquisition is subject to the fulfillment of conditions precedent of the Share Exchange Agreement including approval of the Canadian Securities Exchange (the "CSE"). The Acquisition is expected to represent a "fundamental change" as that term is defined in the policies of the Canadian Securities Exchange (the "Exchange"), and be structured as a reverse takeover. Upon successful completion of the Acquisition, it is anticipated that the Company will retain its listing on the Exchange as a producer of medical marijuana.

11. Subsequent Events – *Continued*

The Acquisition

The Share Exchange Agreement also contemplates material conditions precedent to the closing of the Acquisition (the “Closing”), including, the completion of an equity financing to raise minimum gross proceeds of $4,000,000 (the “Concurrent Financing”), the consolidation of Deploy Shares, customary due diligence, receipt of all necessary regulatory, corporate and third party approvals, compliance with all applicable regulatory requirements, and all requisite board and shareholder approvals being obtained.

In particular, it is a condition of Closing that Deploy obtain prior approval of the Nevada Department of Taxation, and if necessary, the approval of Clark County, Nevada, in relation to the transfer of the NMG membership interests. The concurrent financing will consist of subscription receipts of the Company (the “Subscription Receipts”), at an issue price of CAD $0.22 per Subscription Receipt, with each Subscription Receipt being automatically converted, at no additional cost to the subscriber, upon the completion of the Acquisition for one common share and one share purchase warrant (the “Warrant”) exercisable at a price of CAD $0.30 for a period of 24 months from the date of issuance. Each Warrant is subject to acceleration provisions following the six-month anniversary of the date of closing, if the closing trading price of the common shares is equal to or greater than CAD $0.40 for seven consecutive trading days, at which time the Company may accelerate the expiry date of the Warrants by issuing a press release announcing the reduced warrant term whereupon the Warrants will expire 21 calendar days after the date of such press release. In August 2017, the Company completed the first and second tranches of its subscription receipt financing and has collected gross proceeds in aggregate of CAD $5,488,369. Prior to the completion of the Acquisition the Company will complete a consolidation of its common shares on the basis of one post-consolidation Deploy Share for every three pre-consolidation Deploy Shares (the “Consolidation”).

The completion of the Acquisition will involve, among other things, the following steps, but the parties may agree to a different structure based on tax efficiencies and the advice from legal and financial advisors:

- the Consolidation, subject to all required approvals including shareholder approval, if applicable;
- following completion of the Consolidation, the issuance by Deploy of 16,000,000 Deploy Shares to the NMG Members in exchange for all of the outstanding membership interests, such that NMG will become a wholly-owned subsidiary of the Company;
- the 16,000,000 Deploy Shares issuable to NMG Members being subject to a voluntary pool, vesting over 24 months, with 1/10 released 6 months from the date of Closing, 1/5 released 12 months from the date of Closing, 1/4 released 18 months from the date of Closing, and the remaining Deploy Shares released 24 months from the date of Closing;
- Deploy assuming loans payable to TI Nevada, LLC in the amount of $400,000, with $225,000 payable on Closing, and the remaining $175,000 to be paid within 15 months from the date of Closing;
- Deploy repaying NMG, or any paying NMG Member, for expenditures prior to the date of Closing related to the acquisition of production equipment, with such expenditures to not exceed $84,000;
- Deploy paying $2,000,000 in cash to the NMG Members as at the date of Closing;
- Deploy issuing 2,037,879 post-Consolidation Deploy Shares to TI Nevada LLC and 212,121 post-Consolidation Deploy Shares to another third party;
- Deploy delivering a non-interest bearing promissory notes to the NMG Members in the aggregate amount of $2,000,000, secured by a senior priority security interest in all assets of Deploy, to be paid at the earlier of 15 months from the date of Closing or, if an equity or debt financing subsequent to the Concurrent Financing is closed in an aggregate amount of not less than $5,000,000, then within 30 days of the closing date of such subsequent financing; and

11. Subsequent Events – *Continued*

- receipt of all director, shareholder and regulatory approvals relating to the Acquisition and the Concurrent Financing, including, without limitation, the approval of the Exchange. Certain of the Deploy Shares issuable pursuant to the Acquisition may be subject to the escrow requirements of the Exchange and hold periods as required by applicable securities laws.

NEVADA MEDICAL GROUP, LLC

Financial statements

December 31, 2016

(Expressed in U.S. Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Nevada Medical Group, LLC

We have audited the accompanying financial statements of Nevada Medical Group, LLC, which comprise the statements of financial position as at December 31, 2016 and 2015, and the statements of comprehensive income (loss), changes in members' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Nevada Medical Group, LLC as at December 31, 2016 and 2015, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Nevada Medical Group, LLC's ability to continue as a going concern.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
October 5, 2017

NEVADA MEDICAL GROUP, LLC
Balance sheets
(Expressed in U.S. Dollars)

	December 31, 2016 $	December 31, 2015 $
ASSETS		
Current assets		
Cash	55,003	147,622
Accounts receivable	21,420	-
Biological assets (note 3)	328,289	-
Inventory (note 3)	126,664	-
	531,376	147,622
Property and equipment (note 4)	1,869,100	1,214,832
Total assets	2,400,476	1,362,454
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Accounts payable	58,302	18,575
Due to related parties (note 5)	51,772	8,062
Due to members (note 6)	166,100	-
Total liabilities	276,174	26,637
Members' equity		
Contributions	3,145,348	2,390,375
Deficit	(1,021,046)	(1,054,558)
Total members' equity	2,124,302	1,335,817
Total liabilities and members' equity	2,400,476	1,362,454

Nature of operations and continuance of business (Note 1)
Commitment (Note 7)
Subsequent events (Note 9)

The financial statements were authorized for issue on October 5, 2017 by the members of the Company.

NEVADA MEDICAL GROUP, LLC
Statements of operations and comprehensive income (loss)
(Expressed in U.S. dollars)

	Year ended December 31, 2016 $	Year ended December 31, 2015 $
Revenue	1,631,316	-
Cost of sales (notes 4 and 5)	751,710	-
Gross profit	879,606	-
Operating expenses		
Advertising and promotion	114,806	22,386
Depreciation (note 4)	9,226	3,823
Professional fees	5,291	45,884
Office and administration	110,680	81,768
Consulting fees (note 5)	60,060	35,634
Rent (notes 5 and 7)	60,000	153,230
Repairs and maintenance	27,897	3,608
Salary and wages	422,178	315,463
Travel	5,113	2,163
Utilities	30,843	10,625
Total operating expenses	(846,094)	(674,584)
Net and comprehensive income (loss)	33,512	(674,584)

(The accompanying notes are an integral part of these financial statements.)

NEVADA MEDICAL GROUP, LLC
Statement of changes members' equity
(Expressed in U.S. dollars)

	Contributions $	Deficit $	Total $
Balance, December 31, 2014,	887,950	(379,974)	507,976
Contributions	1,502,425	-	1,502,425
Net and comprehensive loss for the year	-	(674,584)	(674,584)
Balance, December 31, 2015	2,390,375	(1,054,558)	1,335,817
Contributions	754,973	-	754,973
Net and comprehensive income for the year	-	33,512	33,512
Balance, December 31, 2016	3,145,348	(1,021,046)	2,124,302

(The accompanying notes are an integral part of these financial statements.)

NEVADA MEDICAL GROUP, LLC
Statements of cash flows
(Expressed in U.S. dollars)

	Year ended December 31, 2016 $	Year ended December 31, 2015 $
Operating activities		
Net income (loss) for the year	33,512	(674,584)
Non-cash items of net income for the year:		
Depreciation	91,436	3,823
Unrealized gain on change in fair value of inventory	(176,939)	-
Changes in non-cash working capital balances:		
Accounts receivable	(21,420)	-
Inventory	(233,745)	-
Accounts payable	12,279	-
Due to related parties	43,710	-
Net cash used in operating activities	(251,167)	(670,761)
Investing activities		
Purchase of property and equipment	(762,525)	(1,190,393)
Net cash used in investing activities	(762,525)	(1,190,393)
Financing activities		
Contributions	754,973	1,502,425
Due to members	166,100	-
Net cash provided by financing activities	921,073	1,502,425
Decrease in cash	(92,619)	(358,729)
Cash, beginning of year	147,622	506,351
Cash, end of year	55,003	147,622
Non-cash investing activity:		
Purchase of property and equipment in accounts payable	(44,269)	-

(The accompanying notes are an integral part of these financial statements.)

1. Nature of Operations and Continuance of Business

Nevada Medical Group, LLC. (the "Company") was incorporated on March 4, 2014 in accordance with Nevada Law Governing Limited Liability Companies . The Company is a supplier and grower of medical and recreational marijuana in the state of Nevada. It operates under its brand name of Body and Mind (BaM).

These financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the continued financial support from its members, the ability of the Company to obtain necessary equity or debt financing to continue operations, and the attainment of profitable operations. As at December 31, 2016, the Company has a working capital of $255,202 and has an accumulated deficit of $1,021,046 since inception. These factors indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Management intends to obtain additional funding by borrowing from its members and third parties.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements and related notes are presented in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

(b) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

(c) Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand, commercial accounts, trust accounts, and interest-bearing bank deposit. Items are considered to be cash equivalents if the original maturity is three months or less.

(d) Accounts Receivable

Accounts receivable represents amounts owed from customers for sale of medical marijuana. Amounts are presented net of the allowance for doubtful accounts, which represents the Company's best estimate of the amount of probable credit losses in the existing accounts receivable balance. The Company determines the allowance for doubtful accounts based on historical experience and current economic conditions. The Company reviews the adequacy of its allowance for doubtful account on a regularly basis. As at December 31, 2016 and 2015, the Company has no allowance for doubtful accounts.

(e) Revenue Recognition

The Company derives revenue primarily from sale of medical marijuana, and is recognized when the risks and rewards of ownership have transferred to the buyer, which normally occurs at delivery. Revenue is recognized only to the extent that the amount of revenue can be measured reliably and collection is considered probable.

2. Summary of Significant Accounting Policies (continued)

(f) Inventory

Inventory consists of raw materials, biological assets (live plants and plants in the drying process), finished goods and consumables. The Company values its raw materials and consumables at lower of cost or net realizable value. The Company values biological assets and finished goods at fair value. The Company periodically reviews its raw materials and consumables for obsolete and potentially impaired items. In calculating the value of the biological assets, management is required to make a number of estimates, including estimating the stage of growth of the cannabis up to the point of harvest, harvesting costs, selling costs, sales price, and wastage for the cannabis plant. At each reporting date, the value of finished goods is transferred to inventory.

(g) Income Taxes

The Company accounts for income taxes using the asset and liability method, which provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

(h) Foreign Currency Translation

The Company's functional currency is the United States dollar. The reporting currency is the United States dollar.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange in effect at the date of the transaction. Average monthly rates are used to translate revenues and expenses. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income.

(i) Financial Instruments

Financial assets and financial liabilities are recognized on the statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

Financial assets
The Company classifies its financial assets at initial recognition as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale, depending on the purpose for which the asset was acquired.

Fair value through profit or loss - This category comprises derivatives or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. Subsequent to initial recognition, they continue to be recorded in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, they are recorded at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

2. Summary of Significant Accounting Policies (continued)

Held to maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, these assets are recorded at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Available for sale - Non-derivative financial assets not included in the above categories are classified as available for sale. Subsequent to initial recognition, they continue to be recorded at fair value with changes in fair value recognized directly in equity. If there is no quoted price in an active market and fair value cannot be readily determined, available for sale investments are carried at cost. Where a decline in the fair value of an available for sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss.

Transaction costs associated with financial assets at fair value through profit or loss are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

Financial liabilities
The Company classifies its financial liabilities as either financial liabilities at fair value through profit or loss or other financial liabilities, depending on the purpose for which the liability was incurred.

Fair value through profit or loss - This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. Subsequent to initial recognition, they continue to be recorded in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - Financial liabilities other than those classified as fair value through profit or loss are classified as other financial liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1 quoted prices in active markets for identical assets or liabilities

Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices); and

Level 3 inputs for the asset or liability that are not based upon observable market data.

The Company’s financial instruments consist of cash, accounts receivable, accounts payable, amounts due to related parties and amounts due to members. Pursuant to IFRS 13, the fair value of cash is determined based on “Level 1” inputs, which consist of quoted prices in active markets for identical assets. The recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

2. Summary of Significant Accounting Policies (continued)

(j) Property and Equipment

Leasehold improvement and equipment are stated at cost and are amortized over the estimated useful lives on a straight-line basis:

Office equipment	7 years
Cultivation equipment	7 years
Production equipment	7 years
Kitchen equipment	7 years
Vehicles	7 years
Vault equipment	7 years
Leasehold improvement	15 years

(k) Impairment of Long-Lived Assets

The Company tests long-lived assets for recoverability when events or changes in circumstance indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset, significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss.

(l) Income Taxes

No provision for federal, state or local taxes has been made in the accompanying financial statements as the members are responsible for the reporting and payment of the income taxes arising from the Company's taxable income.

(m) Recent Accounting Pronouncements

IFRS 16 "Leases" – This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. It introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease. This standard has a proposed effective date of January 1, 2019.

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

(Expressed in U.S. dollars)

3. Biological Assets and Inventory

The Company's biological assets consists of medical cannabis plants. The continuity of biological assets for the years ended March 31, 2017 and 2016 was as follows:

	2016 $	2015 $
Balance, beginning of year	-	-
Changes in fair value less costs to sell due to biological transformation	1,039,860	-
Transferred to inventory upon harvest	(711,571)	
Balance, end of year	328,289	-

The significant assumptions used in determining the fair value of medical cannabis plants are as follows:

- wastage of plants based on their various stages;
- percentage of costs incurred to date compared to the total costs to be incurred are used to estimate the fair value of an in-process plant; and
- percentage of costs incurred for each stage of plant growth was estimated.

The fair value of biological assets is calculated using Level 3 inputs.

On average, the growth cycle is 20 weeks. All of the plants are to be harvested as agricultural produce (i.e., medical cannabis) and as at December 31, 2016, on average, were 66% complete, compared to 0% average stage of completion as at December 31, 2015. The Company estimates the harvest yields for the plants at various stages of growth. As of December 31, 2016, it is expected that the Company's biological assets will yield approximately 171 kg compared to 0 kg at December 31, 2015. The Company's estimates are, by their nature, subject to change. Changes in the anticipated yield will be reflected in future changes in the gain or loss on biological assets. As at December 31, 2016, the Company held 46 kg of dry cannabis (31 kg of which was finished goods and 15 kg awaiting release for sale), compared to 0 kg of dry cannabis held at December 31, 2015.

Inventory comprised the following items:

	2016 $	2015 $
Raw materials	2,726	-
Finished goods	80,470	-
Consumables	43,468	-
	126,664	-

NEVADA MEDICAL GROUP, LLC

Notes to the financial statements
December 31, 2016
(Expressed in U.S. dollars)

4. Property and Equipment

	Office Equipment	Cultivation Equipment	Production Equipment	Kitchen Equipment	Vehicles	Vault Equipment	Improvements	Total
	$	$	$	$	$	$	$	$
Cost								
Balance, December 31, 2014	-	-	-	-	-	-	1,624	1,624
Additions	19,149	173,495	40,313	-	34,375	2,244	947,455	1,217,031
Balance, December 31, 2015	19,149	173,495	40,313	-	34,375	2,244	949,079	1,218,655
Additions	2,238	80,695	79,625	16,794	19,882	-	590,739	789,973
Balance, December 31, 2016	21,387	254,190	119,938	16,794	54,257	2,244	1,539,818	2,008,628
Accumulated Depreciation								
Balance, December 31, 2014	-	-	-	-	-	-	-	-
Depreciation	1,368	-	-	-	2,455	-	-	3,823
Balance, December 31, 2015	1,368	-	-	-	2,455	-	-	3,823
Depreciation	2,896	30,549	11,447	1,200	6,331	- 320	82,962	135,705
Balance, December 31, 2016	4,264	30,549	11,447	1,200	8,786	- 320	82,962	139,528
Net Book Value								
As at December 31, 2015	**17,781**	**173,495**	**40,313**	**-**	**31,920**	**2,244**	**949,079**	**1,214,832**
As at December 31, 2016	**17,123**	**223,641**	**108,491**	**15,594**	**45,471**	**1,924**	**1,456,856**	**1,869,100**

During the year ended December 31, 2016, the Company allocated $126,479 (2015: $nil) of depreciation to cost of sales, of which $44,268 was included in the cost of inventory.

(Expressed in U.S. dollars)

5. Related Party Transactions

During the year ended December 31, 2016 and 2015, the following compensation was paid to directors, officers and companies controlled by them:

	2016 $	2015 $
Consulting fees	53,269	-
Management fees capitalized in property and equipment	-	18,086
Sales commission	7,269	-
Rent	150,000	135,000
	210,538	153,086

The amounts due to related parties are unsecured, non-interest bearing and are due on demand.

6. Due to members

During the year end December 31, 2016, the Company borrowed $166,100 (2015: $nil) from its members. The loans are unsecured, non-interest bearing and do not have a fixed term of repayment.

7. Commitment

On November 11, 2014, the Company entered into a five year lease for its premises. The Company has five options to extend the lease and each option is for five years. The monthly rent is $13,500. The lease commitments for 2017, 2018 and 2019 are $162,000, $162,000 and $141,750, respectively.

8. Financial instruments, financial risk management and capital management

The Company's risk exposure and impact on the Company's financial instruments are summarized below:

a. *Credit risk*
Financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and accounts receivable. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company is not subject to significant credit risk on cash as it is held on deposit with credit worthy financial institutions. The Company extends credit in the normal course of business. The Company's risk on accounts receivable was assessed as high due to potential non-payments.

b. *Liquidity risk*
All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital, loans from related parties and contributions from members. Liquidity risk is assessed as high.

c. *Market risk*
i. Interest rate risk
The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash is not considered significant.

8. Financial instruments, financial risk management and capital management (continued)

ii. Price risk
The Company is not exposed to price risk.

iii. Currency risk
Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company is not exposed to foreign currency exchange risk.

d. Fair value
The recorded value of the Company's financial assets and liabilities approximate their fair values due to their demand nature and their short term to maturity.

e. Sensitivity analysis
Based on management's knowledge and experience of the financial markets, the Company does not expect any material movements in the underlying market risk variables over a three-month period.

f. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash held by the Company.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company does not have sufficient capital resources to carry out all of its obligations and, accordingly, will attempt to raise additional capital when necessary. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

9. Subsequent events

a) On April 28, 2017, the Company terminated a consulting agreement with a party that has common officers, resulting in a termination fee of $160,000. The Company is obligated to pay the members of the party $10,000 per month beginning May 1, 2017. To date, the Company has paid $ 20,000.

b) On May 12, 2017, the Company entered into an assignment and novation agreement (the "Assignment Agreement") with Toro Pacific Management Inc. (the "Transferor", "Toro") and Deploy Technologies Inc. (the "Transferee", "Deploy") pursuant to which the Transferor assigned a letter of intent (the "LOI") effective May 12, 2017 to the Transferee in accordance with its terms.

   The Assignment Agreement and the LOI contemplate a business combination transaction (the "Acquisition") pursuant to which Deploy will acquire all of the issued and outstanding securities of the Company.

9. Subsequent events (continued)

In connection with the assignment of the LOI, Deploy paid a deposit of $50,000 to the Company, which is refundable in the event a condition precedent to closing is not fulfilled or waived, and is further to be created against the cash purchase price at closing.

Pursuant to the Acquisition, it is anticipated that:

i. Deploy will consolidate its common shares on a 1 new for 3 old basis, subject to all required approvals;
ii. Deploy will issue 16,000,000 post- common shares of Deploy to the Company's current members, which will be subject to a voluntary pool vesting over 24 months;
iii. Deploy will pay the Company's current members $2,000,000 on Closing and issue a $2,000,000 promissory note to be paid at the earlier of 15 months from Closing or within 30 days of Deploy closing a financing of not less than $5,000,000;
iv. Deploy will assume loans of the Company in the amount of $400,000 of which $225,000 is payable on closing of the Acquisition (the "Closing") and $175,000 payable within 15 months of the Closing;
v. As consideration for the Assignment Agreement, Deploy will issue to Toro 1,000,000 post- common shares of Deploy; and
vi. Deploy with raise a minimum of $4,000,000 concurrent with the Acquisition ("Concurrent Financing").

Concurrent Financing

The concurrent financing will consist of subscription receipts of Deploy (the "Subscription Receipts"), at an issue price of CDN $0.22 per Subscription Receipt, with each Subscription Receipt being automatically converted, at no additional cost to the subscriber, upon the completion of the Acquisition for one common share and one share purchase warrant (the "Warrant") exercisable at a price of CDN $0.30 for a period of 24 months from the date of issuance. Each Warrant is subject to acceleration provisions following the six-month anniversary of the date of Closing, if the closing trading price of the common shares is equal to or greater than CDN $0.40 for seven consecutive trading days, at which time Deploy may accelerate the expiry date of the Warrants by issuing a press release announcing the reduced warrant term whereupon the Warrants will expire 21 calendar days after the date of such press release.

c) The Company and Deploy have completed agreements with two other companies for the application of new medical licenses in Ohio and Arkansas.

i. Ohio Application – Deploy advanced $46,500 to the Company on a non-refundable and unsecured basis to cover a portion of the Ohio application expenses. In the event that the Ohio application is successful, the Company will retain a 30% interest in the license and will be the operator of the license. The Company will maintain a right of first refusal with respect to the remaining 70% interest.
ii. Arkansas Application – An in-state investor group ("Investor Group") has agreed to fund the Arkansas application. In the event the Arkansas application is successful, the Company and the Investor Group will endeavour to complete a definitive partnership and operating agreement.

NEVADA MEDICAL GROUP, LLC

Interim Financial Statements

For the Six Months Ended June 30, 2017

(Unaudited - Expressed in U.S. Dollars)

NEVADA MEDICAL GROUP, LLC
Interim Balance Sheets
(Expressed in U.S. Dollars)

	June 30, 2017 $ (Unaudited)	December 31, 2016 $
ASSETS		
Current assets		
Cash	75,732	55,003
Accounts receivable	273,251	21,420
Prepaid expenses	71,433	-
Biological assets (note 3)	198,733	328,289
Inventory (note 3)	80,256	126,664
	699,405	531,376
Property and equipment (note 4)	1,965,070	1,869,100
Total assets	2,664,475	2,400,476
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Accounts payable	270,032	58,302
Due to related parties (note 5)	186,959	51,772
Due to members (note 6)	640,050	166,100
Loan payable (note 8)	50,000	-
Total liabilities	1,147,041	276,174
Members' equity		
Contributions	3,145,348	3,145,348
Deficit	(1,627,914)	(1,021,046)
Total members' equity	1,517,434	2,124,302
Total liabilities and members' equity	2,664,475	2,400,476

Nature of operations and continuance of business (Note 1)
Commitment (Note 7)
Subsequent events (Note 10)

(The accompanying notes are an integral part of these interim financial statements.)

NEVADA MEDICAL GROUP, LLC

Interim Statements of Operations and Comprehensive Loss
(Unaudited - Expressed in U.S. Dollars)

	Three months ended June 30, 2017 $	Six months ended June 30, 2017 $
Revenue	519,576	846,404
Cost of sales (note 4)	447,729	916,027
Gross profit	71,847	(69,623)
Operating expenses		
Advertising and promotion	6,284	15,930
Consulting fees	6,057	6,057
Depreciation (note 4)	2,827	5,654
Insurance	5,765	9,269
Management fees (note 5)	20,000	21,322
Office and admin	31,443	78,271
Professional fees	4,715	5,652
Rent (notes 5 and 7)	12,000	22,500
Repairs and maintenance	-	-
Salary and wages	114,018	236,884
Travel	3,391	5,498
Utilities	14,601	18,696
Total operating expenses	(221,101)	(425,733)
Net loss before other items	(149,254)	(495,356)
Other items		
Other income (note 9)	46,296	48,482
Loss on contract termination (note 5)	(160,000)	(160,000)
	(113,704)	(111,518)
Net and comprehensive loss	(262,958)	(606,874)

Comparative financial information was not prepared as it was impracticable to do so.

(The accompanying notes are an integral part of these interim financial statements.)

NEVADA MEDICAL GROUP, LLC
Interim Statement of Changes in Members' Equity
(Unaudited - Expressed in U.S. Dollars)

	Contributions $	Deficit $	Total $
Balance, December 31, 2016	3,145,348	(1,021,046)	2,124,302
Net and comprehensive loss for the period	-	(606,874)	(606,874)
Balance, June 30, 2017	3,145,348	(1,627,914)	1,517,428

Comparative financial information was not prepared as it was impracticable to do so.

(The accompanying notes are an integral part of these interim financial statements.)

NEVADA MEDICAL GROUP, LLC
Interim Statement of Cash Flows
(Unaudited - Expressed in U.S. Dollars)

	Six months ended June 30, 2017 $
Operating activities	
Net loss for the period	(606,874)
Item not affecting cash:	
Depreciation	65,707
Unrealized loss on change in fair value of inventory	58,519
Loss on contract termination	160,000
Changes in non-cash working capital balances:	
Accounts receivable	(251,831)
Prepaid expenses	(71,433)
Inventory	141,880
Accounts payable	211,730
Due to related parties	(4,813)
Net cash used in operating activities	(297,109)
Investing activities	
Purchase of property and equipment	(186,112)
Net cash used in investing activities	(186,112)
Financing activities	
Due to members	453,950
Loan	50,000
Net cash provided by financing activities	503,950
Increase in cash	20,729
Cash, beginning of period	55,003
Cash, end of period	75,732

Comparative financial information was not prepared as it was impracticable to do so.

1. Nature of Operations and Continuance of Business

Nevada Medical Group, LLC. (“NMG”, the “Company”) was incorporated on March 4, 2014 in accordance with Nevada Law Governing Limited Liability Companies. The Company is a supplier and grower of medical and recreational marijuana in the state of Nevada. It operates under its brand name of Body and Mind (BaM).

These interim financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the continued financial support from its members, the ability of the Company to obtain necessary equity or debt financing to continue operations, and the attainment of profitable operations. As at June 30, 2017, the Company has a working capital deficit of $447,636 and has an accumulated deficit of $1,627,914 since inception. These factors raise substantial doubt regarding the Company’s ability to continue as a going concern. These interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Management intends to obtain additional funding by borrowing from its members and third parties.

2. Basis of Presentation

These interim financial statements and related notes are presented in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed interim financial statements comply with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. These condensed interim financial statements do not include all the information required of a complete set of financial statements and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and the performance of the Company since the end of its last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2016, which were prepared in accordance with IFRS as issued by the IASB.

(Unaudited - Expressed in U.S. Dollars)

3. Biological Assets and Inventory

The Company's biological assets consists of cannabis plants. The continuity of biological assets for the years ended March 31, 2017 and 2016 was as follows:

	June 30 , 2017 $	December 31, 2016 $
Balance, beginning of year	328,289	-
Changes in fair value less costs to sell due to biological transformation	78,594	1,039,860
Transferred to inventory upon harvest	(208,150)	(711,571)
Balance, end of year	198,733	328,289

The significant assumptions used in determining the fair value of cannabis plants are as follows:

- wastage of plants based on their various stages;
- percentage of costs incurred to date compared to the total costs to be incurred are used to estimate the fair value of an in-process plant; and
- percentage of costs incurred for each stage of plant growth was estimated.

The fair value of biological assets is calculated using Level 3 inputs.

On average, the growth cycle is 20 weeks. All of the plants are to be harvested as agricultural produce (i.e., cannabis) and as at June 30, 2017, on average, were 64% complete, compared to 66% average stage of completion as at December 31, 2016. The Company estimates the harvest yields for the plants at various stages of growth. As of June 30, 2017, it is expected that the Company's biological assets will yield approximately 121 kg compared to 171 kg at December 31, 2016. The Company's estimates are, by their nature, subject to change. Changes in the anticipated yield will be reflected in future changes in the gain or loss on biological assets. As at June 30, 2017, the Company held 22 kg of dry cannabis (4 kg of which was finished goods and 18 kg awaiting release for sale), compared to 46 kg of dry cannabis (31 kg of which was finished goods and 15 kg awaiting release for sale) held at December 31, 2016.

Inventory comprised the following items:

	June 30, 2017 $	December 31, 2016 $
Raw materials	10,899	2,726
Finished goods	7,672	80,470
Consumables	61,685	43,468
	80,256	126,664

NEVADA MEDICAL GROUP, LLC
Notes to the Interim Financial Statements
For the Six Months Ended June 30, 2017
(Unaudited - Expressed in U.S. Dollars)

4. Property and Equipment

	Office Equipment	Cultivation Equipment	Production Equipment	Kitchen Equipment	Vehicles	Vault Equipment	Improvements	Total
	$	$	$	$	$	$	$	$
Cost:								
Balance, December 31, 2015	19,149	173,495	40,313	-	34,375	2,244	949,079	1,218,655
Additions	2,238	80,695	79,625	16,794	19,882	-	590,739	789,973
Balance, December 31, 2016	21,387	254,190	119,938	16,794	54,257	2,244	1,539,818	2,008,628
Additions	7,030	24,177	85,215	458	-	-	69,232	186,112
Balance, June 30, 2017	28,417	278,367	205,153	17,252	54,257	2,244	1,609,050	2,194,740
Accumulated Depreciation:								
Balance, December 31, 2015	1,368	-	-	-	2,455	-	-	3,823
Depreciation	2,896	30,549	11,447	1,200	6,331	320	82,962	135,705
Balance, December 31, 2016	4,264	30,549	11,447	1,200	8,786	320	82,962	139,528
Depreciation	1,779	19,020	11,610	1,216	3,876	160	52,481	90,142
Balance, June 30, 2017	6,043	49,569	23,057	2,416	12,662	480	135,443	229,670
Net Book Value:								
As at December 31, 2016	**17,123**	**223,641**	**108,491**	**15,594**	**45,471**	**1,924**	**1,456,856**	**1,869,100**
As at June 30, 2017	**22,374**	**228,798**	**182,096**	**14,836**	**41,595**	**1,764**	**1,473,607**	**1,965,070**

During the six months ended June 30, 2017, the Company allocated $84,488 of depreciation to cost of sales, of which $24,435 was included in the cost of inventory.

(Unaudited - Expressed in U.S. Dollars)

5. Related Party Transactions

During the six months ended June 30, 2017, the following compensation was paid to directors, officers and companies controlled by them:

	2017 $
Management fees	20,000
Management termination fee	160,000
Rent ($52,500 was included in cost of sale)	70,000
	250,000

On April 28, 2017, the Company terminated a consulting agreement with a party that has common officers, resulting in a termination fee of $160,000. The Company is obligated to pay the members of the party $10,000 per month beginning May 1, 2017. To date, the Company has paid $ 20,000.

The amounts, except the termination fee payable, due to related parties are unsecured, non-interest bearing and are due on demand.

6. Due to Members

As at June 30, 2017, the Company has borrowed an aggregate of $640,050 (December 31, 2016: $166,100) from its members. The loans are unsecured, non-interest bearing and do not have a fixed term of repayment.

7. Commitment

On November 11, 2014, the Company entered into a five year lease for its premises. The Company has five options to extend the lease and each option is for five years. The monthly rent is $13,500. The lease commitments for 2017, 2018 and 2019 are $162,000, $162,000 and $141,750, respectively.

8. Assignment and Novation Agreement

On May 12, 2017, the Company entered into an assignment and novation agreement (the “Assignment Agreement”) with Toro Pacific Management Inc. (the “Transferor”, “Toro”) and Deploy Technologies Inc. (the “Transferee”, “Deploy”) pursuant to which the Transferor assigned a letter of intent (the “LOI”) effective May 12, 2017 to the Transferee. The Assignment Agreement and the LOI contemplate a business combination transaction (the “Acquisition”) pursuant to which Deploy will acquire all of the issued and outstanding securities of the Company. In connection with the assignment of the LOI, Deploy paid a deposit of $50,000 to the Company, which is refundable in the event a condition precedent to closing is not fulfilled or waived, and is further to be credited against the cash purchase price at closing. The deposit subsequently became non-refundable in the definitive share exchange agreement (the “Share Exchange Agreement”) on September 14, 2017 (Note 10).

Pursuant to the Acquisition, it is anticipated that:

i. Deploy will consolidate its common shares on a 1 new for 3 old basis, subject to all required approvals;
ii. Deploy will issue 16,000,000 post-consolidated common shares of Deploy to the Company’s current members, which will be subject to a voluntary pool vesting over 24 months;

8. Assignment and Novation Agreement (continued)

iii. Deploy will pay the Company's current members $2,000,000 on Closing and issue a $2,000,000 promissory note to be paid at the earlier of 15 months from Closing or within 30 days of Deploy closing a financing of not less than $5,000,000;
iv. Deploy will assume loans of the Company in the amount of $400,000 of which $225,000 is payable on closing of the Acquisition (the "Closing") and $175,000 payable within 15 months of the Closing;
v. As consideration for the Assignment Agreement, Deploy will issue to Toro 1,000,000 post-consolidated common shares of Deploy; and
vi. Deploy with raise a minimum of $4,000,000 concurrent with the Acquisition ("Concurrent Financing").

Concurrent Financing

The concurrent financing will consist of subscription receipts of Deploy (the "Subscription Receipts"), at an issue price of CDN $0.22 per Subscription Receipt, with each Subscription Receipt being automatically converted, at no additional cost to the subscriber, upon the completion of the Acquisition for one common share and one share purchase warrant (the "Warrant") exercisable at a price of CDN $0.30 for a period of 24 months from the date of issuance. Each Warrant is subject to acceleration provisions following the six-month anniversary of the date of Closing, if the closing trading price of the common shares is equal to or greater than CDN $0.40 for seven consecutive trading days, at which time Deploy may accelerate the expiry date of the Warrants by issuing a press release announcing the reduced warrant term whereupon the Warrants will expire 21 calendar days after the date of such press release. The Concurrent Financing was completed in August 2017 and closed at CDN $4,925,685.

9. Ohio and Arkansas Expansion

The Company and Deploy have completed agreements with two other companies for the application of new medical licenses in Ohio and Arkansas.

i. Ohio Application – Deploy advanced a non-refundable deposit of $46,500 to the Company to cover a portion of the Ohio application expenses. In the event that the Ohio application is successful, the Company will retain a 30% interest in the license and will be the operator of the license. The Company will maintain a right of first refusal with respect to the remaining 70% interest.
ii. Arkansas Application – An in-state investor group ("Investor Group") has agreed to fund the Arkansas application. In the event the Arkansas application is successful, the Company and the Investor Group will endeavour to complete a definitive partnership and operating agreement.

10. Subsequent Events

Pursuant to the Assignment Agreement, the Company entered into the Share Exchange Agreement with Deploy effective September 14, 2017, pursuant to which Deploy, through its wholly owned subsidiary DEP Nevada Inc. ("DEP Nevada"), will acquire all of the issued and outstanding membership units of the Company (Note 8).

The membership unit holders of the Company will receive16,000,000 post-consolidation common shares in the capital of the Deploy (the "Deploy Shares") at a deemed price of CDN $0.66 per Deploy Share on a pro-rata basis. In exchange for the Deploy Shares, DEP Nevada will receive 100% of the issued and outstanding membership interests in the Company (the "NMG Interests").

10. Subsequent Events (continued)

Subject to the fulfillment of conditions precedent of the Share Exchange Agreement, and approval of the Canadian Securities Exchange, the Acquisition is expected to close on or before October 31, 2017, or such date as Deploy and NMG may agree (Note 8).

Deploy Technologies Inc.

Pro-Forma Financial Statements

June 30, 2017

(Expressed in US Dollars)

(Unaudited)

Deploy Technologies Inc.
Pro-Forma Statements of Financial Position
As at June 30, 2017
(Expressed in US Dollars) (Unaudited)

	Nevada Medical Group As at June 30, 2017	Deploy Technologies Inc. As at April 30, 2017	Notes	Pro-Forma Adjustments	Pro-Forma June 30, 2017
Assets					
Current assets:					
Cash	$ 75,732	$ 691,523	2c	$ 3,977,848	$ 2,139,214
			2a	(46,889)	
			2b(v)	(84,000)	
			2b(iv)	(225,000)	
			2e	(250,000)	
			2b(vi)	(2,000,000)	
Amounts receivable and prepaid	344,684	9,022		-	353,706
Biological assets	198,733	-		-	198,733
Inventory	80,256	-		-	80,256
Available-for-sale securities	-	1		-	1
Total Current Assets:	**699,405**	**700,546**		**1,371,959**	**2,771,910**
Property and equipment, net	1,965,070	-		-	1,965,070
Total Assets:	**$ 2,664,475**	**$ 700,546**		**$ 1,371,959**	**$ 4,736,980**
Liabilities					
Current liabilities:					
Trade payables and accrued liabilities	$ 270,032	$ 198,482		$ -	$ 468,514
Due to related parties	186,959	-		-	186,959
Due to members	640,050	-	2b(iv)	(225,000)	415,050
Loans payable - current	50,000	-		-	50,000
Total Current Liabilities:	**1,147,041**	**198,482**		**(225,000)**	**1,120,523**
Promissory note	**-**	**-**		**2,000,000**	**2,000,000**
Total Current Liabilities:	**1,147,041**	**198,482**		**1,775,000**	**3,120,523**
Equity					
Issued and outstanding:					
Common shares	3,145,348	3,537	2b(ii)	10,354,857	17,270,806
			2a	541,072	
			2b(viii)	1,217,413	
			2c	2,012,116	
				(3,537)	
Additional paid-in capital	-	4,292,165		(4,292,165)	-
Contributed surplus			2c	1,965,732	1,965,732
Other comprehensive income	-	322,145		(322,145)	-
Deficit	(1,627,914)	(4,115,783)		4,115,783	(17,620,081)
				(15,992,167)	-
Total Equity:	**1,517,434**	**502,064**		**(403,041)**	**1,616,457**
Total Liabilities and Equity:	**$ 2,556,218**	**$ 700,546**		**$ 1,371,959**	**$ 4,736,980**

The accompanying notes are an integral part of this pro-forma statements of financial position.

Deploy Technologies Inc.
Pro-Forma Statements of Loss and Comprehensive Loss
For the Period Ended June 30, 2017
(Expressed in Canadian Dollars) (Unaudited)

	Nevada Medical Group Six Months Ended June 30, 2017	Deploy Technologies Inc. Nine Months Ended April 30, 2017	Pro-Forma Adjustments	Pro-Forma June 30, 2017
Revenue	**$ 846,404**	**$ -**	**$ -**	**$ 846,404**
Cost of sales	916,027	-	-	916,027
Gross profit (loss)	**(69,623)**	**-**	**-**	**(69,623)**
Expenses				
Advertising and promotion	15,930	-	-	15,930
Accounting and legal	-	12,139	-	12,139
Consulting fees	6,057	59,392	-	65,449
Depreciation	5,654	1,588	-	7,242
Insurance	9,269	-	-	9,269
Management fees	21,322	7,547	-	28,869
Office and administration	78,271	27,459	-	105,730
Professional fees	5,652	-	-	5,652
Rent	22,500	-	-	22,500
Salary and wages	236,884	-	-	236,884
Travel	5,498	22,177	-	27,675
Utilities	18,696	-	-	18,696
	(425,733)	**(130,302)**	**-**	**(556,035)**
Loss from operations	**(495,733)**	**(130,302)**	**-**	**(556,970)**
Other income	48,482	-	-	48,482
Loss from contract termination	(160,000)	-	-	(160,000)
Foreign exchange loss	-	(74,425)	-	(74,425)
Listing expense	-	-	(15,992,167)	(15,992,167)
Settlement of liabilities	-	61,983	-	61,983
Foreign currency translation adjustment	-	55,396	-	55,396
Total comprehensive loss	**$ (606,874)**	**$ (87,348)**	**(15,992,167)**	**$(16,617,701)**
Loss per share - basic and diluted		**$ (0.01)**	**-**	**$ (0.36)**
Weighted average number of shares outstanding – basic and diluted		**7,878,194**	**-**	**46,703,369**

The accompanying notes are an integral part of this pro-forma statements of loss and comprehensive loss.

1. BASIS OF PRESENTATION

The unaudited pro-forma financial statements of Deploy Technologies Inc. ("the **Company**") ("DEP") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The Company is an exploration stage enterprise, as defined in Accounting Standards Codification (the "Codification" or "ASC") 915-10, "*Development Stage Entities*".

The unaudited pro-forma financial statements have been prepared for inclusion in the Prospectus of the Company, which contains the details of the Share Exchange Agreement (the "**Agreement**") and associated financings pursuant to which the Company, through its wholly owned subsidiary DEP Nevada Inc. (DEP Nevada"), acquired all the outstanding membership units of Nevada Medical Group LLC ("**NMG**") and NMG became a wholly-owned subsidiary of the Company ("the **Acquisition**"). Following completion of the Acquisition ("**Closing**"), the Company anticipates changing its name to "Body and Mind Inc." The purpose of the Agreement is to restructure the companies through a reverse acquisition. The Acquisition represented a "fundamental change" as that term is defined in the policies of the Canadian Securities Exchange (the "**Exchange**")**,** and structured as a reverse takeover. Following completion of the Acquisition ("**Closing**"), the Company retained its listing on the Exchange as a producer of medical marijuana.

Pursuant to the Acquisition, NMG will become a wholly owned subsidiary of the Company. The Company does not meet the definition of a business, therefore the transaction is outside of the scope of IFRS 3 *Business Combinations*. Instead, the Acquisition will be accounted for under IFRS 2 *Share-based* Payment. Under this basis of accounting, the consolidated entity is considered to be a continuation of the Company, with the net identifiable assets of NMG deemed to have been acquired by the Company.

The unaudited pro-forma statement of financial position of the resulting issuer should be read in conjunction with the December 31, 2016 audited financial statements of NMG.

The unaudited pro-forma financial statements of the Company has been compiled from:

(a) The interim financial statements of NMG as at June 30, 2017 and for the six months then ended;
(b) the interim financial statements of Deploy as at April 30, 2017 and for the nine months then ended;
(c) the additional information set out in note 2.

The unaudited pro-forma statement of financial position has been prepared as if the Acquisition and transactions described in note 2 had occurred on June 30, 2017, and represents the related assets and liabilities included in the June 30, 2017 interim financial statements of NMG.

The unaudited pro-forma statement of financial position of the Company has been compiled using the significant accounting policies as set out in NMG's audited financial statements for the year ended December 31, 2016, and those accounting policies expected to be adopted by the Company.

The unaudited pro-forma statement of financial position is not necessarily indicative of the financial position that would have been attained had the transactions actually taken place at the dates indicated and do not purport to be indicative of the effects that may be expected to occur in the future.

In the opinion of the Company's management, the unaudited pro-forma statement of financial position includes all adjustments necessary for the fair presentation of the transactions described in note 2.

2. PRO-FORMA ADJUSTMENTS AND ASSUMPTIONS

The unaudited pro-forma statement of financial position has been presented giving effect to the following assumptions and pro-forma adjustments:

a. On 16 May 2017, the Company announced it entered into an assignment and novation agreement (the "Assignment Agreement") with Toro Pacific Management Inc. (the "Transferor") pursuant to which the Transferor assigned a letter of intent (the "LOI") effective 12 May 2017 to the Company in accordance with its terms. The Assignment Agreement and the LOI contemplate a business combination transaction (the "Acquisition") pursuant to which the Company will acquire all of the issued and outstanding securities of Nevada Medical Group LLP ("NMG"), an arm's length Nevada-based licensed producer of medical marijuana and owner of the Body & Mind brand ("BaM").

   As consideration for the Assignment Agreement, the Company will issue to the Transferor 1,000,000 common shares of the Company, on a post-Consolidated basis (as defined below), at a deemed price of CAD $0.66 per share. In addition, the Company paid two finders a total of CAD $63,750 for their services in identifying and introducing the Company to potential companies for a business combination, culminating in the Company's identification of NMG as a target.

   In connection with the assignment of the LOI, Deploy paid a deposit of $50,000 to NMG, which is non-refundable and is further to be credited against the cash purchase price at Closing.

b. On September 14, 2017, the Company entered into the Share Exchange Agreement with NMG pursuant to which the NMG Members agreed to sell all of their ownership interest in and to the NMG Securities, to NevadaCo free and clear of all Encumbrances and NevadaCo agrees to purchase all of the NMG Securities for a purchase price of CAD $10,560,000 in Deploy Payment Shares and $4,000,000 cash (collectively, the "Purchase Price").

   It is anticipated that the completion of the Acquisition will involve, among other things, the following steps, but the parties may agree to a different structure based on tax efficiencies and the advice from legal and financial advisors:

   i. the consolidation of the common shares of the Company on a 1 new for 3 old basis (the "Consolidation"), subject to all required approvals including shareholder approval, if applicable;
   ii. following completion of the Consolidation, the issuance of 16,000,000 common shares to the NMG Members in exchange for all of the outstanding membership interests, such that NMG will become a wholly-owned subsidiary of the Company;
   iii. the 16,000,000 common shares issuable to NMG Members being subject to a voluntary pool, vesting over 24 months, with 1/10 released 6 months from the date of closing, 1/5 released 12 months from the date of closing, 1/4 released 18 months from the date of closing, and the remaining common shares released 24 months from the date of closing;
   iv. The Company assuming loans payable to TI Nevada, LLC, an NMG member, in the amount of $400,000, with $225,000 payable on closing, and the remaining $175,000 to be paid within 15 months from the date of closing;
   v. The Company repaying NMG, or any paying NMG Member, for expenditures prior to the date of Closing related to the acquisition of production equipment, with such expenditures to not exceed $84,000;
   vi. The Company paying $2,000,000 in cash to the NMG Members as at the date of closing;
   vii. The Company delivering a non-interest bearing promissory note to the NMG Members in the amount of $2,000,000, secured by a senior priority security interest in all assets of the Company, to be paid at the earlier of 15 months from the date of closing or, if an equity or debt financing subsequent to the concurrent financing is closed in an aggregate amount of not less than $5,000,000, then within 30 days of the closing date of such subsequent financing;
   viii. The Company will issue 2,037,879 common shares to TI Nevada, LLC and will issue 212,121 common shares to HF Management, LLC relating to the Acquisition;
   ix. completion of the concurrent financing; and
   x. receipt of all director, shareholder and regulatory approvals relating to the Acquisition and the concurrent financing, including, without limitation, the approval of the Exchange.

(Expressed in US Dollars)

2. PRO-FORMA ADJUSTMENTS AND ASSUMPTIONS (cont'd)

The purchase consideration below was estimated based on the fair value attributed to the common shares that NMG would have had to issue to shareholders of the Company to acquire the same percentage equity interest in the combined entity that results from the reverse acquisition. Upon completion of the proposed transaction, the fair value of all identifiable assets and liabilities acquired was determined. The carrying value of NMG's and the Company's assets and liabilities as at June 30, 2017 are assumed to approximate their fair values as at that date. The fair value of the shares issued is allocated to the carrying value of the net assets acquired. The difference between the purchase consideration and the fair value of net assets acquired is recorded as a cost of public listing. The preliminary purchase price allocation is summarized as follows:

Fair value of acquisition (19,137,658 shares at CAD $0.66 per share)	$	10,354,857
Fair value of additional shares (2,250,000 shares at CAD $0.66 per share)		1,217,413
Fair value of additional shares (1,000,000 shares at CAD $0.66 per share)		541,072
Transaction costs		380,889
Cash and promissory note		4,000,000
		16,494,231
Allocated as follows:		
Identified fair value of net assets:		
Cash	$	691,523
Amounts receivable and prepaid		9,022
Available-for-sale securities		1
Accounts payable		(198,482)
		502,064
Listing expense		15,992,167
	$	16,494,231

c. The concurrent financing will consist of subscription receipts of the Company (the "Subscription Receipts"), at an issue price of CAD $0.22 per Subscription Receipt, with each Subscription Receipt being automatically converted, at no additional cost to the subscriber, upon the completion of the Acquisition for one common share and one share purchase warrant (the "Warrant") exercisable at a price of CAD $0.30 for a period of 24 months from the date of issuance. Each Warrant is subject to acceleration provisions following the six-month anniversary of the date of closing, if the closing trading price of the common shares is equal to or greater than CAD $0.40 for seven consecutive trading days, at which time the Company may accelerate the expiry date of the Warrants by issuing a press release announcing the reduced warrant term whereupon the Warrants will expire 21 calendar days after the date of such press release. The concurrent financing must raise a minimum of $4,000,000. The Company intends to issue up to 45,454,545 Units for maximum gross proceeds of CAD $10,000,000 in connection with the concurrent financing.

d. The Board of Directors of Deploy approved the Acquisition and authorized to enter into the Definitive Agreement and the assignment and novation agreement among Toro Pacific Management ("**Toro**"), NMG, and Deploy dated effective May 12, 2017 (the "**Assignment Agreement**") prior to execution of this Agreement. In connection with the assignment of the LOI, Deploy paid a deposit of $50,000 to NMG, which is non-refundable and is further to be credited against the cash purchase price at Closing.

e. Transaction costs were estimated to be $250,000.

(Expressed in US Dollars)

3. PRO-FORMA SHARE CAPITAL

After giving effect to the pro-forma adjustments and assumptions in Note 2, the issued and fully paid share capital of the Company would be as follows:

	Shares	*Amount* $	*Contributed Surplus* $	*Deficit* $	*Total Equity* $
Common shares of NMG issued and outstanding as at	-	3,145,348	-	-	***3,145,348***
Common shares of DEP issued and outstanding as at June 30, 2017	57,412,974	4,295,702	-	-	***4,295,702***
Concurrent Financing	24,947,132	3,977,848		-	***3,977,848***
Effect of transaction:					
Consolidation of DEP shares	(38,275,316)	-	-	-	-
Consolidation of Concurrent Financing	(16,631,421)	-	-	-	-
Issuance of resulting issuer shares to NMG members	16,000,000	10,354,857	-	-	***10,354,857***
Common share issued to Toro Pacific Management	1,000,000	541,072	-	-	***541,072***
Common share issued to TI Nevada/HF Management	2,250,000	1,217,413	-	-	***1,217,413***
Eliminate FV of DEP share capital value	-	(4,295,702)		-	***(4,295,702)***
Fair Value of attached warrants	-	(1,965,732)	1,965,732	-	-
Net loss for the Period	-	-	-	(17,620,081)	***(17,620,081)***
Balance – June 30, 2017	***46,703,369***	***17,270,806***	***1,965,732***	***(17,620,081)***	***1,616,457***

4. EFFECTIVE TAX RATE

The pro-forma effective income tax rate applicable to the consolidated operations subsequent to the completion of the Acquisition is 26%.