

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 17, 2019

Date of Report (Date of earliest event reported)

BODY AND MIND INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

000-55940

(Commission
File Number)

98-1319227

(IRS Employer
Identification No.)

750 – 1095 West Pender Street
Vancouver, British Columbia, Canada

(Address of principal executive offices)

V6E 2M6

(Zip Code)

(604) 376-3567

Registrant's telephone number, including area code

Not applicable.

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (Section 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (Section 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

On May 17, 2019, Body and Mind Inc. (the “Company”) entered into an Agency Agreement (the “Agency Agreement”) with M Partners Inc. and PI Financial Corp. (the “Agents”) pursuant to which the Agents are serving as placement agents for the Company, on a commercially reasonable best efforts basis, in connection with the private placement offering of up to 8,000,000 units of the Company (each, a “Unit”) at a price of CAD\$1.25 per Unit (the “Offering”). Pursuant to the Agency Agreement, the Company granted the Agents an option to sell up to an additional 8,000,000 Units on the same terms, which option was exercised by the Agents.

Each Unit is comprised of one common share of the Company (each, a “Share”) and one common share purchase warrant of the Company (each, a “Warrant”). Each Warrant entitles the holder thereof to acquire one common share of the Company (each, a “Warrant Share”) at an exercise price of CAD\$1.50 per Warrant Share for a period of 48 months following the closing date, subject to adjustment in certain events.

Under the Agency Agreement, the Company agreed to pay the Agents a cash commission equal to 7.5% of the gross proceeds of the Offering (subject to a reduced cash commission of 1.0% for purchasers on the Company’s president’s list (“President’s List Purchasers”) up to a maximum of CAD\$4 million of Units purchased by President’s List Purchasers). As additional consideration, the Company agreed to issue the Agents such number of non-transferable broker warrants (each, a “Broker Warrant”) equal to 7.5% of the number of Units sold under the Offering (subject to a reduced number of Broker Warrants of 1.0% for President’s List Purchasers up to a maximum of CAD\$4 million of Units purchased by President’s List Purchasers).

On May 17, 2019, the Company entered into subscription agreements (the “Subscription Agreements”) with purchasers (i) in Canada that are “accredited investors” within the meaning of National Instrument 45-106, (ii) in the United States that are “accredited investors” (as such term is defined under Rule 501(a) of Regulation D under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”)), and (iii) outside Canada and the United States on a basis which does not require the qualification or registration of any of the Units. Pursuant to the Subscription Agreements, the Company issued 11,780,904 Units for gross proceeds of CAD\$14,726,130.

The Agents received a cash commission on the sale of the Offering to non-U.S. persons of CAD\$793,937.50. The Agents also received as additional consideration 635,150 Broker Warrants. Each Broker Warrant entitles the holder thereof to acquire one Unit of the Company at an exercise price of CAD\$1.25 per Unit for a period of 48 months following the closing date. M Partners Inc. also received a corporate finance fee of CAD\$84,750 inclusive of applicable taxes.

On May 17, 2019, our directors and executive officers entered into lock up agreements (each, a “Lock Up Agreement”) with the Agents restricting the ability of such directors and executive officers to sell or otherwise transfer their equity securities in the Company for a period of 120 days without the prior written consent of M Partners Inc.

The foregoing description of the Agency Agreement, the Subscription Agreements, the Warrant, the Broker Warrant and the Lock Up Agreements do not purport to be complete and are qualified in their entirety by reference to the full text of the Agency Agreement, form of Subscription Agreement, form of Warrant, form of Broker Warrant and form of Lock Up Agreement, which are filed as Exhibit 10.1, Exhibit 10.2, Exhibit 10.3, Exhibit 10.4 and Exhibit 10.5 hereto, respectively, and are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities

Pursuant to the Offering as described in Item 1.01 of this Current Report on Form 8-K, on May 17, 2019, the Company issued 11,780,904 Units to 197 individuals/entities at a price of CAD\$1.25 per Unit for gross proceeds of CAD\$14,726,130.

Pursuant to the Agency Agreement, the Company issued 635,150 Broker Warrants to the Agents.

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02.

In connection with the issuance of the Units comprised of the Shares and Warrants, and the issuance of the Broker Warrants as described above, the Company relied on the exemption from registration under the U.S. Securities Act provided by Rule 903 of Regulation S for issuances to non-U.S. persons and on the exemption from registration under the U.S. Securities Act provided by Rule 506(b) of Regulation D for issuances to U.S. persons based on representations and warranties provided by the purchasers in the Subscription Agreements and by the Agents in the Agency Agreement.

Item 8.01 Other Events

On May 20, 2019, the Company issued a news release announcing it has closed its previously announced private placement offering with M Partners Inc., as lead agent, together with a syndicate of agents including PI Financial Corp. for 11,780,904 Units of the Company at a price of CAD\$1.25 per Unit for gross proceeds of CAD\$14,726,130.

A copy of the news release is attached as Exhibit 99.1 hereto.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Business Acquired

Not applicable.

(b) Pro forma Financial Information

Not applicable.

(c) Shell Company Transaction

Not applicable.

(d) Exhibits

Exhibit	Description
10.1	Agency Agreement, dated May 17, 2019, between Body and Mind Inc., M Partners Inc. and PI Financial Corp.
10.2	Form of Subscription Agreement
10.3	Form of Warrant
10.4	Form of Broker Warrant
10.5	Form of Lock Up Agreement
99.1	News Release dated May 20, 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BODY AND MIND INC.

DATE: May 21, 2019

By: /s/ Darren Tindale
Darren Tindale
Chief Financial Officer

AGENCY AGREEMENT

May 17, 2019

Body and Mind Inc.
1095 West Pender Street, Suite 750
Vancouver, British Columbia
V6E 2M6, Canada

Attention: Leonard Clough, CEO & Director

Dear Sirs/Mesdames:

Re: Private Placement of Units

M Partners Inc. (the "**Lead Agent**") and PI Financial Corp. (the "**Co-Lead Agent**", and together with the Lead Agent, the "**Agents**") understand that Body and Mind Inc. (the "**Corporation**") is prepared to issue and sell up to CAD\$10,000,000 of units of the Corporation (the "**Initial Units**") at a price of CAD\$1.25 per Initial Unit (the "**Purchase Price**") on the terms and subject to the conditions contained hereinafter. Each Initial Unit is comprised of: (a) one (1) common share (each a "**Share**"); and (b) one common share purchase warrant (individually a "**Warrant**" and collectively the "**Warrants**"), each Warrant being exercisable to acquire one (1) common share in the capital of the Corporation (individually a "**Warrant Share**" and collectively the "**Warrant Shares**") at an exercise price of CAD\$1.50 per Warrant Share for a period expiring 48 months following the Closing Date (as hereinafter defined).

Upon and subject to the terms and conditions contained herein, the Corporation hereby grants to the Agents an option (the "**Agents' Option**") to purchase up to an additional CAD\$10,000,000 of units (the "**Additional Units**" and collectively with the Initial Units, the "**Offered Units**") at the Purchase Price. Each Additional Unit has the same terms as an Initial Unit. The Agents' Option may be exercised upon written notice given by the Lead Agent to the Corporation not less than three (3) Business Days prior to the Closing Date specifying the number of Additional Units to be issued.

Based upon the understanding of the Agents set out above and upon the terms and subject to the conditions contained hereinafter, upon the acceptance hereof by the Corporation, the Corporation hereby appoints the Agents to act as the co-lead agents and bookrunners for and on behalf of the Corporation to solicit, on a commercially reasonable best efforts basis and without underwriting liability, offers to purchase the Offered Units, and the Agents hereby agree to act in such capacity. It is understood and agreed that the Agents are under no obligation to purchase any of the Offered Units.

In consideration for the services rendered by the Lead Agent in connection with the Offering (as hereinafter defined), the Corporation has agreed to pay the Lead Agent a fee (the "**Work Fee**") of CAD\$75,000 plus HST. The Corporation shall also pay the Agents a cash commission (the "**Cash Commission**") equal to 7.5% of the aggregate gross proceeds of the Offering, provided that the Agents shall be entitled only to 1% of the aggregate gross proceeds from subscribers on the list attached hereto as Schedule "A" (the "**President's List**" and the subscribers named therein the "**President's List Subscribers**").

As additional compensation, the Corporation has agreed to grant the Agents unit purchase warrants (the "**Agent Warrants**") that will entitle the Agents to purchase such number of units comparable to the Offered Units (the "**Agent Warrant Units**") equal to 7.5% of the total number of Offered Units issued pursuant to the Offering at the Purchase Price for a period of 48 months following the Closing Date, provided that the Agents shall be entitled only to Agent Warrants equal to 1% of the of the Offered Units sold to President's List Subscribers.

The reduced cash commission and number of Agent Warrants in respect of President's List Subscribers shall apply in respect of up to CAD\$4,000,000 of Offered Units. In respect of any Offered Units sold to President's List Subscribers in excess of such CAD\$4,000,000 cap, the Agents shall be entitled to a cash commission of 7.5% of the aggregate proceeds of such Offered Units and Agent Warrants equal to 7.5% of the total number of such Offered Units.

In respect of the Cash Commission and Agent Warrants, the Lead Agent shall be entitled to receive a step-up fee, which shall be equal to 6.0% of the Cash Commission and Agent Warrants, and shall be paid to the Lead Agent out of the total Cash Commission and Agent Warrants at the Closing Time. The remaining 94.0% of the Cash Commission and Agent Warrants shall be paid and issued, as applicable, 90.0% to the Lead Agent and 10.0% to the Co-Lead Agent, or as the Lead Agent shall further direct the Corporation.

Unless the context otherwise requires or unless otherwise specifically stated, all references in this Agreement to the "**Offering**", "**Shares**", "**Warrants**" and "**Warrant Shares**" shall be deemed to include any offering of securities pursuant to the Agents' Option.

The Warrants shall be created and issued pursuant to warrant certificates to be dated as of the Closing Date.

The terms and conditions of this Agreement are as follows:

1. **Definitions, Interpretation and Schedules**

(a) **Definitions**: Whenever used in this Agreement:

- (i) "**Additional Units**" shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (ii) "**Agent**" shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (iii) "**Agent Warrant Certificates**" means the certificates representing the Agent Warrants;
 - (iv) "**Agent Warrant Units**" means the units issuable upon the exercise of the Agent Warrants, each unit consisting of one Agent Warrant Share and one Agent Warrant Warrant;
 - (v) "**Agent Warrants**" means the agent warrants of the Corporation which will entitle the holder thereof to acquire one Agent Warrant Unit per Agent Warrant at the Purchase Price for a period of 48 months following the Closing Date;
 - (vi) "**Agent Warrant Shares**" means the Common Shares issuable upon due exercise of the Agent Warrants;
-

- (vii) “**Agent Warrant Warrants**” means the common share purchase warrants of the Corporation issuable upon exercise of the Agent Warrants, each warrant entitling the holder thereof to acquire one Agent Warrant Warrant Share at a price of CAD\$1.50 for a period expiring 48 months from the Closing Date;
 - (viii) “**Agent Warrant Warrant Shares**” means the Common Shares issuable upon due exercise of the Agent Warrant Warrants;
 - (ix) “**Agents’ Option**” shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (x) “**Agreement**” means the agreement resulting from the acceptance by the Corporation of the offer made by the Agent herein, including the schedules attached hereto, as amended or supplemented from time to time;
 - (xi) “**Applicable Laws**” means all applicable laws, rules, regulations, policies, statutes, ordinances, codes, orders, consents, decrees, judgments, decisions, rulings, awards, guidelines, or the terms and conditions of any Authorizations, including any judicial or administrative interpretation thereof, of any Governmental Authority;
 - (xii) “**BCI 72-503**” has the meaning ascribed to such term in Section 2(a)(ii) of this Agreement;
 - (xiii) “**Body and Mind Financial Statements**” has the meaning ascribed to such term in Section 7(t);
 - (xiv) “**Business Day**” means a day (other than a Saturday, Sunday or statutory holiday) on which Canadian chartered banks are open for the transaction of regular business in the cities of Vancouver, British Columbia, Toronto, Ontario and Las Vegas, Nevada;
 - (xv) “**Cannabis Licences**” has the meaning ascribed to such term in Section 7(z);
 - (xvi) “**Cash Commission**” shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (xvii) “**Closing**” means the closing of the purchase and sale of the Offered Units subscribed for by the Purchasers pursuant to the Subscription Agreements on the Closing Date;
 - (xviii) “**Closing Date**” means May 17, 2019 or such other date as the Agents and the Corporation may agree upon, and such subsequent closing dates for additional tranche closings of the Offering as the Corporation and the Agents may agree;
 - (xix) “**Closing Time**” means 9:00 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Corporation and the Agents may mutually agree upon;
 - (xx) “**Common Shares**” means the common shares in the capital of the Corporation;
-

- (xxi) “**Constituting Documents**” has the meaning ascribed to such term in Section 7(f)(iii);
 - (xxii) “**Corporation**” shall have the meaning ascribed to such term on the first page of this Agreement;
 - (xxiii) “**Corporation Intangible Property**” means the Intangible Property owned or licensed by or to the Corporation or any of its Subsidiaries or in which the Corporation or any of its Subsidiaries has an interest;
 - (xxiv) “**CSE**” means the Canadian Securities Exchange;
 - (xxv) “**Dep Nevada**” means DEP Nevada Inc., a corporation incorporated under the laws of the State of Nevada;
 - (xxvi) “**EDGAR**” means the Electronic Data Gathering, Analysis and Retrieval system of the SEC;
 - (xxvii) “**Governmental Authority**” means, without limitation, any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;
 - (xxviii) “**Information**” means all information regarding the Corporation that the Corporation has made, or makes, publicly available on SEDAR or EDGAR since December 31, 2017 together with all information prepared by the Corporation and provided to the Agent or to potential purchasers of Offered Units, if any, and includes, but is not limited to, all material change reports, press releases and financial statements of the Corporation;
 - (xxix) “**Initial Units**” shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (xxx) “**Intangible Property**” means all patents, patentable subject matter, copyrights, registered and unregistered trade-marks, service marks, domain names, trade-names, logos, commercial symbols, industrial designs (including applications for all of the foregoing and renewals, divisions, continuations, continuations-in-part, extensions and reissues, where applicable, relating thereto), inventions, licences, sublicences, trade secrets, know-how, confidential and proprietary information, patterns, drawings, computer software, databases and all other intellectual property, whether registered or not, owned by, licensed to or used by a person, in any format or medium whatsoever;
 - (xxxi) “**Liens**” means any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, hypothec, lien, charge, pledge or security interest, whether fixed or floating, or any option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right or claim which affects ownership or possession of, or title to, or the right to use or occupy, such property or assets;
-

- (xxxii) “**Material Adverse Effect**” has the meaning ascribed to such term in section 7(k);
 - (xxxiii) “**NMG**” means Nevada Medical Group, LLC, a limited liability corporation incorporated under the laws of the State of Nevada;
 - (xxxiv) “**NMG Retail**” means NMG Retail LLC, a limited liability corporation incorporated under the laws of the State of Nevada;
 - (xxxv) “**NI 45-102**” means National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators;
 - (xxxvi) “**NI 45-106**” means National Instrument 45-106 - *Prospectus Exemptions* of the Canadian Securities Administrators;
 - (xxxvii) “**Offered Units**” shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (xxxviii) “**Offering**” means the offering for sale by the Corporation on a private placement basis of the Offered Units;
 - (xxxix) “**Offering Documents**” means all agreements, indentures, certificates and documents executed and delivered, or to be executed and delivered, by the Corporation in connection with the transactions contemplated by this Agreement or the Subscription Agreements in connection with the Offering and includes the Subscription Agreements, the Warrant Certificates and the Agent Warrant Certificates;
 - (xl) “**Offering Jurisdictions**” means each of the provinces of Canada, the United States (with respect to offers and sales made in accordance with Schedule “B” hereto) and such other foreign jurisdictions in which there are Subscribers and with respect to which the Agents and the Corporation shall agree;
 - (xli) “**Person**” means an individual, a firm, a corporation, a syndicate, a partnership, a trust, an association, an unincorporated organization, a joint venture, an investment club, a government or an agency or political subdivision thereof and every other form of legal or business entity of any nature or kind whatsoever;
 - (xlii) “**Presentation**” means the investor presentation of the Corporation dated for reference April 2019;
 - (xliii) “**President’s List**” means the list of certain purchasers designated by the Corporation and attached hereto as Schedule “A”;
 - (xliv) “**President’s List Subscribers**” means the subscribers named in the President’s List;
-

- (xlv) “**Purchase Price**” means the price to be paid by the Purchasers for each Offered Unit under the Offering, being CAD\$1.25 per Offered Unit;
 - (xlvi) “**Purchasers**” means collectively, the purchasers of the Offered Units, and “**Purchaser**” means any one of them;
 - (xlvii) “**Regulation D**” means Regulation D adopted by the SEC under the U.S. Securities Act;
 - (xlviii) “**Regulation S**” means Regulation S adopted by the SEC under the U.S. Securities Act;
 - (xlix) “**Reporting Jurisdictions**” means the provinces of British Columbia and Ontario and the United States, collectively;
 - (l) “**SEC**” means the U.S. Securities and Exchange Commission;
 - (li) “**Securities Commissions**” means, collectively, the securities regulatory authorities of the Offering Jurisdictions;
 - (lii) “**Securities Act**” means the *Securities Act* (British Columbia) and the regulations thereunder, together with the instruments, policies, policy statements, rules, orders, blanket orders, codes, notices, recognitions, designations and assignments, agreements and interpretation notes of the British Columbia Securities Commission, as amended, supplemented or replaced from time to time;
 - (liii) “**Securities Laws**” means, in respect of any Offering Jurisdiction, the securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and interpretation notes of the securities regulatory authorities (including the CSE) of that jurisdiction;
 - (liv) “**SEDAR**” means the System for Electronic Document Analysis and Retrieval;
 - (lv) “**Shares**” shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (lvi) “**Subscription Agreements**” means the subscription agreement to be entered into between the Corporation and each of the Purchasers with respect to the purchase of the Units, as the case may be, collectively;
 - (lvii) “**Subsidiaries**” means, collectively, Dep Nevada, NMG and NMG Retail and any other any other entity that is a “subsidiary” of the Corporation, as such term is defined in Chapter 78 of the *Nevada Revised Statutes*;
 - (lviii) “**Tax Act**” means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time, including where applicable any specific proposals to amend the Tax Act that are publicly announced by the Minister of Finance (Canada) to have effect prior to the Closing Date;
-

- (lix) **“United States”** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
 - (lx) **“U.S. Accredited Investors”** has the meaning ascribed thereto in Schedule B to this Agreement;
 - (lxi) **“U.S. Affiliate”** of the Agent means the U.S. registered broker-dealer affiliate of such Agent;
 - (lxii) **“U.S. Exchange Act”** means the *United States Securities Exchange Act of 1934*, as amended;
 - (lxiii) **“U.S. Purchaser”** means a Purchaser who is (a) a U.S. Person or Person purchasing Offered Units on behalf of, or for the account or benefit of, any Person in the United States, (b) a Person who receives or received an offer to acquire such Offered Units while in the United States, and/or (c) a Person who was in the United States at the time such Person’s buy order was made or the Subscription Agreement pursuant to which such Offered Units were acquired was executed or delivered;
 - (lxiv) **“U.S. Person”** means a “U.S. person” as defined in Rule 902(k) under the U.S. Securities Act;
 - (lxv) **“U.S. Securities Act”** means the *United States Securities Act of 1933*, as amended;
 - (lxvi) **“U.S. Securities Laws”** means all applicable securities laws in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, including the rules and policies of the SEC, and any applicable state securities laws;
 - (lxvii) **“Warrant Certificates”** means the certificates representing the Warrants;
 - (lxviii) **“Warrant Shares”** shall have the meaning ascribed to such term in the preamble of this Agreement;
 - (lxix) **“Warrants”** shall have the meaning ascribed to such term in the preamble of this Agreement; and
 - (lxx) **“Work Fee”** shall have the meaning ascribed to such term in the preamble of this Agreement.
- (b) Other Defined Terms: Whenever used in this Agreement, the words and terms “affiliate”, “associate”, “material fact”, “material change” and “misrepresentation” shall have the meaning given to such word or term in the Securities Act unless specifically provided otherwise herein.
- (c) Plural and Gender: Whenever used in this Agreement, words importing the singular number only shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine gender and neuter.
-

- (d) **Currency:** All references to monetary amounts in this Agreement are to lawful money of Canada.
- (e) **Knowledge:** In this Agreement, “to the best of the knowledge of” or an equivalent statement, means a statement as to the knowledge of each of the executive officers of the Corporation about the facts or circumstances to which such phrase related, after having made due and applicable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by executive officers of similar firms in the discharge of their duties, without special inquiry for the purpose of the Offering; and “to the knowledge of” or equivalent statement means a statement as to the actual knowledge of each of the executive officers of the Corporation about the facts or circumstances to which such phrase related without having conducted any further inquiries nor investigations in connection with such facts and circumstances;
- (f) **Schedules:** The following schedule is attached to this Agreement and is deemed to be a part of and incorporated in this Agreement:

<u>Schedule</u>	<u>Title</u>
A	President’s List
B	Terms and Conditions For United States Offers and Sales

2. **The Offering**

- (a) **Sale on Exempt Basis:** The Agents will use their commercially reasonable best efforts to arrange for Purchasers in the Offering Jurisdictions. The Agents shall offer for sale on behalf of the Corporation the Offered Units in the Offering Jurisdictions in compliance with the Securities Laws of the Offering Jurisdictions and only to such Persons and in such manner so that, pursuant to the provisions of the Securities Laws of the Offering Jurisdictions:
 - (i) other than the Presentation, no prospectus, registration statement or offering memorandum or other similar document need be filed with, or delivered to, any Securities Commission in any Offering Jurisdiction in connection therewith; and
 - (ii) the Corporation does not become obligated by any reporting obligation in the Offering Jurisdictions other than Form 45-106F1 – *Report of Exempt Distribution*, any filings under BC Instrument 72-503 – *Distributions of Securities outside British Columbia* (“**BCI 72-503**”) and Form D – *Notice of Exempt Offering of Securities* and any applicable filing fees in connection therewith.

The sale of Offered Units outside the United States shall be conducted in compliance with the conditions of Rule 903 of Regulation S applicable to “Category 3” issuers, including the offering restrictions, disclosure, certification and legending requirements thereof.

(b) Agency Group: The Corporation agrees that, subject to the consent of the Corporation, such consent not to be unreasonably withheld, the Agents have the right to invite or engage one or more investment dealers or brokers to form an agency group to participate in the solicitation of offers to purchase the Offered Units. The Agents shall have the exclusive right to control all compensation arrangements between the members of the agency group. The Corporation grants all of the rights and benefits of this Agreement, subject to the obligations and liabilities of this Agreement, to any investment broker or dealer disclosed to the Corporation who is a member of any agency group formed by the Agents and appoints the Agents as trustees of such rights and benefits, subject to the obligations and liabilities for all such investment dealers, and the Agents hereby accept such trust and agree to hold such rights and benefits for and on behalf of all such investment brokers or dealers. The Agents shall ensure that any investment broker or dealer who is a member of any agency group formed by the Agents pursuant to the provisions of this subsection 2(b) or with whom the Agents have a contractual relationship with in respect to the Offering, if any, agrees with the Agents and the Corporation to comply with the covenants and obligations given by the Agents herein.

(c) Sales in the United States:

(i) The Agents,

- A. acting in accordance with applicable exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state in the United States, or
- B. through their U.S. Affiliate or other member of the agency group duly registered as a broker or dealer with the SEC and under any applicable state securities laws (unless exempted from the applicable state's broker-dealer registration requirements), in each case, in accordance with Schedule "B" hereto,

may offer the Offered Units to, or for the account or benefit of, U.S. Purchasers who are U.S. Accredited Investors (as defined in Schedule "B" hereto) in accordance with Rule 506 of Regulation D, and in each case in accordance with the provisions of Schedule "B" hereto. All Offered Units sold to, or for the account or benefit of, U.S. Purchasers, if any, in accordance with Rule 506 of Regulation D promulgated under the U.S. Securities Act shall be sold directly to such persons by the Corporation in accordance with Schedule "B" hereto; and

(ii) the parties to this Agreement acknowledge that the Securities have not been and will not be registered under the U.S. Securities Act or any securities laws of any state in the United States and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons except that the Offered Units may be offered and sold to, or for the account or benefit of, persons in the United States or U.S. Persons pursuant to transactions that are exempt from the registration requirements of the U.S. Securities Act and the applicable laws of any state in the United States. Accordingly, the Corporation and the Agents hereby agree that offers and sales of the Offered Units shall be conducted only in the manner specified in Schedule "B" hereto, which terms and conditions are hereby incorporated by reference in and shall form a part of this Agreement. Notwithstanding the foregoing provisions of this Section 2(c)(ii), an Agent will not be liable to the Corporation under this Section 2(c)(ii) or Schedule "B" hereto with respect to a violation by the U.S. Affiliate or other member of the agency group registered as a broker or dealer with the SEC and under applicable state securities laws, if any, of the provisions of this Section 2(c)(ii) or Schedule "B" hereto if the former Agent (or its U.S. Affiliate, if any), as applicable, is not itself also in violation.

(d) Covenants of the Agents:

- (i) The Agents shall, and shall require any sub-agents to agree to, comply with the Securities Laws of the Offering Jurisdictions in connection with the distribution of the Offered Units and shall offer the Offered Units for sale directly and through sub-agents upon the terms and conditions set out in this Agreement.
 - (ii) The Agents shall not, and shall require any sub-agents to agree not to, directly or indirectly, offer, sell or deliver any Offered Units to any person in any jurisdiction other than in the Offering Jurisdictions, unless the Corporation and the Agent agree otherwise and then only in a manner which will not require the Corporation to comply with the registration and prospectus or other similar requirements under the Securities Laws of such other jurisdictions.
- (e) Filings: The Corporation undertakes to file or cause to be filed all forms and undertakings required to be filed by the Corporation in connection with the Offering so that the distribution of the Offered Units may lawfully occur in the Offering Jurisdictions without the necessity of filing a prospectus, registration statement or an offering memorandum (other than the Presentation) and the Agents undertake to use commercially reasonable best efforts to cause the Purchasers of the Offered Units to complete (and it shall be a condition of Closing in favour of the Corporation that the Purchasers complete and deliver to the Corporation) any forms and undertakings required by the Securities Laws of the Offering Jurisdictions. All fees payable in connection with such filings shall be at the expense of the Corporation.
- (f) No Offering Memorandum: Other than the Presentation, neither the Corporation nor the Agents shall (i) provide to prospective purchasers of Offered Units any document or other material that would constitute an offering memorandum within the meaning of the Securities Laws of the Offering Jurisdictions; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Units, including but not limited to, causing the sale of the Offered Units to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display or the Internet, or otherwise, or conduct any seminar or meeting relating to any offer and sale of the Offered Units whose attendees have been invited by a general solicitation or general advertising.

3. Due Diligence

The Corporation shall allow the Agents (and their representatives) to conduct all due diligence investigations which the Agents may reasonably require in order to: (i) confirm the Information is accurate, current and complete in all material respects; and (ii) fulfill the Agents' obligations as agents.

4. **Deliveries by Closing Time**

Deliveries: By the Closing Time:

- (a) all actions required to be taken by or on behalf of the Corporation including, without limitation, the passing of all required resolutions of the directors, shall have occurred in order to complete the transactions contemplated by this Agreement and the Subscription Agreements, including, without limitation, to issue the Shares, to create and issue the Warrants and Agent Warrants, and to reserve for issue the Warrant Shares, the Agent Warrant Units and the Agent Warrant Warrant Shares;
- (b) the Corporation shall have delivered or caused to be delivered to the Agents, all in form and substance satisfactory to the Agents and their counsel, acting reasonably:
 - (i) a favourable legal opinion of McMillan LLP, Canadian counsel to the Corporation, and, where appropriate, counsel in other jurisdictions, addressed to the Agents, their counsel and the Purchasers, acceptable to counsel to the Agents, acting reasonably, substantially to the effect that:
 - A. this Agreement and each of the Offering Documents have been executed and delivered by the Corporation and constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms (subject to bankruptcy, insolvency or other laws affecting the rights of creditors generally, general equitable principles including the availability of equitable remedies and the qualification that no opinion need be expressed as to rights to indemnity, or contribution);
 - B. the execution and delivery by the Corporation of this Agreement and each of the Offering Documents, the fulfilment of the terms hereunder and thereunder by the Corporation, including the issue, sale and delivery on the Closing Date of the Offered Units and the Agent Warrants (and to the extent applicable, the Warrant Shares, Agent Warrant Units and Agent Warrant Warrant Shares), to the Agents or the Purchasers, as the case may be, do not constitute or result in a breach of or a default under, and do not create a state of facts which, after notice or lapse of time or both, will constitute or result in a breach of, and will not conflict with, (i) any of the terms, conditions or provisions of the Constating Documents, (ii) and laws of the Province of British Columbia and any federal laws of Canada applicable therein, and (iii) any judgment, order, decree, of which counsel is aware of any Governmental Authority having jurisdiction over the Corporation;
 - C. the issuance and sale by the Corporation of the Offered Units to the Purchasers in the Canadian Offering Jurisdictions in accordance with the terms and conditions of this Agreement and the Subscription Agreements, and the issuance of the Agent Warrants to the Agent in accordance with the terms and conditions of this Agreement are exempt from the prospectus requirements under the Canadian Securities Laws and no filing, proceeding, approval, consent or authorization is required to be made, taken or obtained by the Corporation under Canadian Securities Laws to permit such issuances and sale through person or companies registered under the Canadian Securities Laws who have complied with the relevant provisions of the Canadian Securities Laws and the terms of their registrations, other than filing, within 10 days from the date of each such issuance and sale, a report of exempt distribution on Form 45-106F1 with the securities commissions as prescribed by NI 45-106, together with payment of the applicable fees, the Presentation with the Ontario Securities Commission, and any filings required under BCI 72-503;

- D. the issuance by the Corporation of the Warrant Shares in the Canadian Offering Jurisdictions in accordance with and pursuant to the terms and conditions of the Warrants and the Warrant Indenture is exempt from the prospectus requirements of the Securities Laws in the Qualifying Jurisdictions and no prospectus or other document is required to be filed, no proceeding is required to be taken and no approval, permit or consent of any securities commission is required to be obtained by the Corporation under the Securities Laws in the Qualifying Jurisdictions to permit such issuance of the Warrant Shares;
- E. the first trade in the Canadian Offering Jurisdictions by the Purchasers of the Shares, Warrants and Warrant Shares, and the Agent of the Agent Warrant Shares, Agent Warrant Warrants and Agent Warrant Warrant Shares is exempt from the prospectus requirements of applicable securities laws in the Offering Jurisdictions and no other documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained by the Corporation under such securities laws to permit the first trade of the Shares and Warrants provided that:
- (I) at the time of such first trade, the Corporation is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;
 - (II) at least four months have elapsed from the date of distribution of the Shares, Warrants and Agent Warrants, as applicable;
 - (III) the certificates representing the Shares and Warrants, and if issued prior to the date that is four months and one day after the Closing Date, the Warrant Shares, Agent Warrant Shares, Agent Warrant Warrants and Agent Warrant Warrant Shares, carry a legend stating the prescribed restricted period in accordance with section 2.5(2)3(i) of NI 45-102, or if the security is entered into a direct registration system or other electronic book-entry system, or if the security holder did not directly receive a certificate representing the security, the security holder received written notice containing the legend restriction notation as required by section 2.5(2)3(i) of NI 45-102;
 - (IV) such trade is not a “control distribution” (as defined in NI 45-102);
-

- (V) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade;
 - (VI) no extraordinary commission or consideration is paid to a person or company in respect of such trade; and
 - (VII) if the Purchaser is an insider or officer of the Corporation at the time of the trade, the Purchaser has no reasonable grounds to believe that the Corporation is in default of applicable securities laws in the Offering Jurisdictions; and
- F. such other matters as the Agent and their counsel may require, acting reasonably.
- (ii) a favourable legal opinion of McMillan LLP, U.S. securities counsel to the Corporation, addressed to the Agents, their counsel and the Purchasers, acceptable to counsel to the Agents, acting reasonably, to the effect that no registration under the U.S. Securities Act is required in connection with the offer and sale of the Offered Units, provided such offers and sales are made in compliance with Schedule "B" to this Agreement and provided further that it being understood that no opinion is expressed as to any subsequent resale of any Offered Units or the underlying Shares;
 - (iii) a favourable legal opinion of Nevada corporate counsel to the Corporation addressed to the Agents, their counsel and the Purchasers, acceptable to counsel to the Agents, acting reasonably, substantially to the effect that
 - A. the Corporation is validly incorporated, organized and in existence in its jurisdiction of incorporation;
 - B. each of the Subsidiaries are validly incorporated, organized and in existence in their respective jurisdictions of incorporation;
 - C. the Corporation is qualified to carry on its business as presently carried on and to own, lease and operate its properties;
 - D. each of Subsidiaries is qualified to carry on its business as presently carried on and to own, lease and operate its properties;
 - E. the Corporation has all requisite corporate capacity, power and authority to execute and deliver this Agreement and each of the Offering Documents and to perform all transactions contemplated hereby and thereby;
 - F. the authorized and issued capital of the Corporation;
 - G. the authorized and issued capital of each of the Subsidiaries and the ownership thereof;
-

- H. all necessary corporate action has been taken by the Corporation to authorize (i) the execution and delivery of the Offering Documents, and (ii) the creation, issuance and delivery of the Shares, the Warrants, the Warrant Shares, the Agent Warrants, the Agent Warrant Shares, the Agent Warrant Warrants and the Agent Warrant Warrant Shares;
 - I. the Shares have been validly issued and delivered by the Corporation and upon payment in full therefor the Shares shall be duly and validly issued as fully paid and non-assessable common shares in the capital of the Corporation;
 - J. the Warrants have been validly created and authorized for issuance and upon payment in full therefor the Warrants shall be duly and validly issued as fully paid and non-assessable securities of the Corporation;
 - K. the Warrant Shares have been authorized and reserved for issuance by the Corporation and upon the due exercise of the Warrants in accordance with the terms and conditions contained in the Warrant Certificates and upon the receipt of the applicable purchase price therefor, the Warrant Shares will be duly and validly issued as fully paid and non-assessable common shares in the capital of the Corporation;
 - L. the Agent Warrants have been validly created, authorized and issued by the Corporation and the Agent Warrant Certificates have been duly executed and delivered by the Corporation;
 - M. the Agent Warrant Shares have been authorized and reserved for issuance by the Corporation and upon the due exercise of the Agent Warrants in accordance with the terms and conditions contained in the Agent Warrant Certificates and upon the receipt of the applicable purchase price therefor, the Agent Warrant Shares will be duly and validly issued as fully paid and non-assessable common shares in the capital of the Corporation;
 - N. the Agent Warrant Warrants have been authorized and reserved for issuance by the Corporation and upon the due exercise of the Agent Warrants in accordance with the terms and conditions contained in the Agent Warrant Certificates and upon the receipt of the applicable purchase price therefor, the Agent Warrant Warrants will be duly and validly issued as fully paid and non-assessable securities of the Corporation; and
 - O. the Agent Warrant Warrant Shares have been authorized and reserved for issuance by the Corporation and upon the due exercise of the Agent Warrant Warrants in accordance with the terms and conditions contained in the Agent Warrant Warrant Certificates and upon the receipt of the applicable purchase price therefor, the Agent Warrant Warrant Shares will be duly and validly issued as fully paid and non-assessable common shares in the capital of the Corporation;
- (iv) a certificate dated the Closing Date signed by the chief executive officer and chief financial officer of the Corporation and addressed to the Agent and its legal counsel with respect to the Constatng Documents, the resolutions of the directors of the Corporation and any other corporate action taken relating to this Agreement and the Offering Documents and including specimen signatures of the signing officers of the Corporation;
-

- (v) a Subscription Agreement from each Purchaser accepted by the Corporation;
 - (vi) Share certificates and Warrant Certificates registered in accordance with the instructions of the Agent;
 - (vii) Agent Warrant Certificates registered in accordance with the instructions of the Agents;
 - (viii) a certificate from the transfer agent of the Corporation dated the Closing Date and signed by an authorized officer of such transfer agent confirming the issued and outstanding capital of the Corporation as of the Business Day immediately preceding the Closing Date;
 - (ix) a certificate of status or its equivalent dated not more than two Business Days preceding the Closing Date confirming the due existence of the Corporation and each of its Subsidiaries; and
 - (x) such further documents as may be contemplated by this Agreement or as the Agent may reasonably require.
- (c) The Agent shall have delivered or caused to be delivered to the Corporation all in form and substance satisfactory to the Corporation, acting reasonably,
- A. payment, on behalf of the Purchasers, of the aggregate Purchase Price for the Offered Units purchased by the Purchasers net of the commission and expenses payable by the Corporation to the Agents as provided in section 6 and section 11 herein, by wire transfer payable to the Corporation, or as the Corporation may otherwise direct in writing, against delivery from the Corporation to the Agents of a receipt for the aggregate Purchase Price for such Offered Units;
 - B. duly completed and executed Subscription Agreements from each of the Purchasers for the Offered Units being issued and sold and, where applicable, all completed forms, schedules and certificates contemplated by the Subscription Agreements and this Agreement;
 - C. the Agents' receipt for the Cash Commission, the Agents' expenses and the Agent Warrant Certificates representing the Agent Warrants; and
 - D. such further documents as may be contemplated by this Agreement or as the Corporation may reasonably require.

5. **Closing**

- (a) Closing: The Closing shall be completed at the offices of McMillan LLP in Vancouver, British Columbia at the Closing Time on the Closing Date.
-

- (b) **Conditions of Closing:** The following are conditions precedent to the obligation of the Agents to complete the Closing and of the Purchasers to purchase the Offered Units, which conditions the Corporation hereby covenants and agrees to use its commercially reasonable efforts to fulfill within the time set out herein therefor, and which conditions may be waived in writing in whole or in part by the Agents:
- (i) the Corporation shall have received all necessary approvals and consents, including any consent of any securities exchange required for the completion of the transactions contemplated by this Agreement, all in a form satisfactory to the Agent;
 - (ii) the Corporation's board of directors shall have authorized and approved the Offering, this Agreement, the Offering Documents and any other agreements pursuant to which the Offered Units are to be issued;
 - (iii) receipt by the Agents of the documents set forth in section 4(a) and 4(b) of this Agreement to be delivered to the Agents, as applicable;
 - (iv) the representations and warranties of the Corporation contained herein and in the Subscription Agreements being true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time;
 - (v) the Corporation having complied with all covenants, and satisfied all terms and conditions, contained herein and in the Subscription Agreements to be complied with and satisfied by the Corporation at or prior to the Closing Time; and
 - (vi) the Agents not having previously terminated this Agreement.

6. **Fee**

- (a) **Commission:** In consideration of the agreement of the Agents to act as agents of the Corporation in respect of the Offering, and in consideration of the services performed and to be performed by the Agents in connection therewith, including, without limitation, (1) acting as agents of the Corporation to solicit, on a commercially reasonable best efforts basis, offers to purchase the Offered Units, (2) participating in the preparation of the form of the Subscription Agreements and certain of the Offering Documents, and (3) advising the Corporation with respect to the private placement of the Offered Units, the Corporation shall pay to the Agents or as the Agents may otherwise direct at the Closing Time against receipt of payment of the aggregate Purchase Price for the Offered Units,
- (i) a cash fee of 7.5% of the aggregate Purchase Price for the Offered Units sold under the Offering, provided that the Agent shall be entitled only to 1% of the aggregate gross proceeds from President's List Subscribers up to a cap of CAD\$4,000,000 in sales to President's List Subscribers eligible for such reduced cash fee;
 - (ii) such number of Agent Warrants, in form and substance satisfactory to the Agent, as is equal to 7.5% of the number of Offered Units sold in the Offering, provided that the Agent shall be entitled only to 1% of the number of Offered Units sold to President's List Subscribers up to a cap of CAD\$4,000,000 in sales to President's List Subscribers eligible for such reduced number of Agent Warrants; and
 - (iii) a work fee in the amount of CAD\$75,000 plus HST payable to the Lead Agent.
-

- (b) Taxes: The Corporation and the Agents agree that the services provided by the Agents in connection herewith, other than the work fee described in Section 6(a)(iii), will not be subject to any taxes imposed under the *Excise Tax Act* (Canada) and any taxable supplies provided will be incidental to the exempt financial services provided, but if any such tax or applicable interest and penalties are subsequently determined by a taxing authority to be exigible, the Corporation will promptly pay such tax and applicable interest and penalties to the Agents.

7. Representations and Warranties

The Corporation hereby represents and warrants to the Agents and the Purchasers, and acknowledges that the Agents and the Purchasers are relying upon each of such representations and warranties in completing the Closing, as follows:

- (a) All necessary corporate action has been taken to authorize the issue and sale of, and the delivery of the Shares and Warrants, in certificated or electronic form, and the creation and issue of, and the delivery of, certificates representing the Agent Warrants, and:
- (i) upon payment of the requisite consideration therefor, the Shares will be validly issued as fully-paid and non-assessable Common Shares;
 - (ii) upon payment of the requisite consideration therefor, the Warrants will be validly issued;
 - (iii) upon exercise of the Warrants in accordance with their terms and payment of the applicable exercise price, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;
 - (iv) upon issue thereof, the Agent Warrants will be validly issued;
 - (v) upon exercise of the Agent Warrants in accordance with their terms and payment of the applicable exercise price, the Agent Warrant Shares will be validly issued as fully paid and non-assessable Common Shares and the Agent Warrant Warrants will be validly issued; and
 - (vi) upon exercise of the Agent Warrant Warrants in accordance with their terms and payment of the applicable exercise price, the Agent Warrant Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (b) The form and terms of the Shares, Warrants, Warrant Shares, Agent Warrants, Agent Warrant Shares, Agent Warrant Warrants and Agent Warrant Warrant Shares have been approved and adopted, as applicable, by the directors of the Corporation and do not conflict with any Applicable Laws.
-

- (c) The attributes of the Offered Units will conform in all material respects with the description thereof in the Subscription Agreements.
 - (d) The Corporation has full corporate power, capacity and authority to undertake the Offering, to enter into this Agreement and the Offering Documents and to do all acts and things and execute and deliver all documents as are required hereunder and thereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and thereof, and the Corporation has taken all necessary corporate action to authorize the execution, delivery and performance of the Offering Documents and to observe and perform the provisions of the Offering Documents in accordance with the provisions hereof and thereof.
 - (e) Each of this Agreement and the Offering Documents has been executed and delivered by the Corporation and constitutes a valid and legally binding obligation of the Corporation enforceable against the Corporation in accordance with its terms subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally.
 - (f) The entering into and the performance of the transactions contemplated herein and in the Offering Documents by the Corporation:
 - (i) does not require any consent, approval, authorization or order of any court or Governmental Authority, other than as has been obtained;
 - (ii) will not contravene any statute or regulation of any Governmental Authority which is binding on the Corporation, where such contravention would materially and adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation; and
 - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the articles of incorporation, amalgamation, continuation, arrangement, as applicable, by-laws and all amendments to such articles or by-laws, or, in each case, such applicable documents (collectively, the “**Constituting Documents**”) or resolutions of the Corporation or any mortgage, note, indenture, contract or agreement instrument, lease or other document to which the Corporation is a party, or any judgment, decree or order or any term or provision thereof, where such contravention would materially and adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation.
 - (g) The Corporation is not party to or bound or affected by any commitment, agreement or document containing any covenant which would prohibit or restrict the Corporation from entering into this Agreement or any of the Offering Documents.
 - (h) There are no material changes or material facts relating to the Corporation that have not been disclosed to the Agents or otherwise have not been included as part of the Information, and other than as disclosed in the Information, the Corporation has not completed any “significant acquisitions” (as determined in accordance with Part 8 of National Instrument 51-102 Continuous Disclosure Obligations) that would require the filing of a business acquisition report that has not yet been filed, nor is the Corporation proposing any “probable acquisitions” (as determined in accordance with Item 10 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions*).
-

- (i) All statements of fact contained in the Presentation were, when made, and are as at the date hereof, true, complete and accurate in all material respects and not misleading in any material respect and all forecasts, estimates and expressions of opinion, intention or expectation contained in the Presentation were, when made, subject to the qualifications set forth in the Presentation, honestly held and believed to be reasonable at the time they were given.
 - (j) All filings and fees required to be made and paid by the Corporation pursuant to applicable securities laws and general corporate law have been made and paid, except for those filings or fees that are required to have been made and paid pursuant to Part 6 of NI 45-106, Part 5 of OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions*, Section 7 of BCI 72-503 or Regulation D.
 - (k) The Corporation is a corporation continued and existing under the laws of the State of Nevada and has the requisite corporate power and authority to carry on its business as it is now being conducted. The Corporation is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a Material Adverse Effect (as defined herein) on the Corporation. As used in this Agreement, “**Material Adverse Effect**” means any event or change that, individually or in the aggregate with other events or changes, is or would reasonably be expected to be, materially adverse to the business, operations, assets, condition (financial or otherwise) or liabilities, whether contractual or otherwise, of any party, as the case may be; provided that a Material Adverse Effect shall not include an adverse effect resulting from a change (i) that arises out of a matter that has been publicly disclosed prior to the date of this Agreement or otherwise disclosed in writing by a party to the other party prior to the date of this Agreement; (ii) that results from general economic, financial, currency exchange, interest rate or securities market conditions in Canada or the United States; or (iii) that is a direct result of any matter permitted by this Agreement or consented to in writing by the applicable party.
 - (l) The minute books and corporate records of the Corporation which the Corporation has made available to the Agent in connection with its due diligence investigation of the Corporation contain substantially all of the corporate records of the Corporation and contain copies of all Constatting Documents, including all amendments thereto, and all material proceedings of securityholders and directors and are complete in all material respects.
 - (m) The Corporation has no subsidiaries other than Dep Nevada, NMG and NMG Retail. The Corporation is the registered and beneficial owner of 100% of the issued and outstanding shares of Dep Nevada. Dep Nevada holds a 100% membership interest in NMG. Dep Nevada holds a 75.5% membership interest in NMG Retail.
 - (n) The Corporation is not party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Corporation to compete in any line of business, transfer or move any of its assets or operations that would materially or adversely affect the business practices, operations or condition of the Corporation.
-

- (o) The Corporation has an authorized capital of: (i) 900,000,000 Common Shares with a US\$0.001 par value per Common Share, of which as of the date hereof (and without giving effect to the Offering), 72,628,584 Common Shares are issued and outstanding. In addition, as at the date hereof (and without giving effect to the Offering), the Corporation has issued and outstanding options, warrants, rights or conversion or exchange privileges or other securities (“**Convertible Securities**”) entitling the holders thereof to acquire, and is party to agreements evidencing rights to acquire, a further 32,096,251 Common Shares. Except as aforesaid and any securities issuable in respect of the acquisition of Green Light District Holdings Inc., there are no outstanding shares of the Corporation or Convertible Securities entitling anyone to acquire any Common Shares or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by the Corporation of any shares of the Corporation (including Common Shares) or any Convertible Securities convertible into, exchangeable or exercisable for, or otherwise evidencing a right to acquire, any Common Shares or other equity securities of the Corporation (including any pre-emptive rights, rights of first refusal or any similar rights to subscribe for any securities of the Corporation). All outstanding Common Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor have they been issued in violation of any pre-emptive rights, and all Common Shares issuable upon exercise or conversion of outstanding Convertible Securities or issuable pursuant to agreements evidencing rights to acquire shares will, when issued in accordance with their respective terms, be duly authorized and validly issued, fully paid and non-assessable and will not be subject to any pre-emptive rights.
 - (p) All of the outstanding membership interest of NMG has been validly issued and is directly owned by Dep Nevada free and clear of all Liens and no person has any option or right to acquire any of them.
 - (q) All of the outstanding share capital of Dep Nevada has been validly issued and is outstanding as fully-paid and non-assessable shares and is directly owned by the Corporation free and clear of all Liens and no person has any option or right to acquire any of them.
 - (r) There are no suits, actions or litigation or arbitration proceedings or governmental proceedings in progress, pending or, to the best of the knowledge of the Corporation, contemplated or threatened, to which the Corporation or any of its Subsidiaries is a party or to which the property of the Corporation or any of its Subsidiaries is subject, except where such suit, action or litigation or arbitration proceeding or governmental proceeding would not result in a Material Adverse Effect on the Corporation. There is not presently outstanding against the Corporation or any of its Subsidiaries any judgment, injunction, rule or order of any court, governmental department, commission, agency or arbitrator.
 - (s) No proceedings have been taken, instituted or are pending for the dissolution or liquidation of the Corporation or any of its Subsidiaries.
-

- (t) The consolidated financial statements of the Corporation as at and for the financial years ended July 31, 2018 and the interim condensed consolidated financial statements for the quarterly periods ended October 31, 2018 and January 31, 2019 (collectively, the “**Body and Mind Financial Statements**”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), applied on a basis consistent with prior periods and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Corporation, as at the respective dates of the Body and Mind Financial Statements and the sales, earnings and results of operations of the Corporation for the respective periods covered by the Body and Mind Financial Statements.
 - (u) Other than as disclosed in the Information, since July 31, 2018, the Corporation has conducted its businesses only in the ordinary course and (i) there has been no Material Adverse Effect on the Corporation, or any condition, event or development involving a prospective change that would constitute a Material Adverse Effect on the Corporation; and (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to the Corporation has been incurred, other than in the ordinary and normal course of business.
 - (v) Other than as disclosed in the Information, none of the Corporation or any Subsidiary is a party to or otherwise bound by any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability, which is not in the ordinary course of business or otherwise material to the Corporation or such Subsidiary, as applicable.
 - (w) Other than as disclosed in the Information, none of the Corporation or any Subsidiary is a party to any debt instrument nor has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm’s length with them.
 - (x) All taxes (including income tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto due and payable by the Corporation have been paid except for where the failure to pay such taxes would not constitute an adverse material fact of the Corporation, or result in a Material Adverse Effect on the Corporation. All tax returns due, declarations, remittances and filings required to be filed by the Corporation have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading. To the best of the knowledge of the Corporation: (i) no examination of any tax return of the Corporation is currently in progress; and (ii) there are no issues or disputes outstanding with any governmental entity respecting any taxes that have been paid, or may be payable, by the Corporation. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Corporation.
 - (y) None of the Corporation or any Subsidiary is a party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any of the shares of the Corporation or any Subsidiary, including any agreement among shareholders with respect to the voting or sale of Common Shares.
-

- (z) The Corporation and each of the Subsidiaries has conducted and is conducting its business in compliance in all material respects with all applicable federal, provincial, state and municipal laws, rules, regulations, tariffs, orders and directives of each jurisdiction in which it carries on business and with all applicable laws, tariffs and directives material to its operations, including all applicable federal, state, municipal, and local laws and regulations and other lawful requirements of any Governmental Authority that govern all aspects of the Corporation's or such Subsidiary's business, including, but not limited to, permits and/or licenses to grow, process, and dispense cannabis and cannabis-derived products ("**Cannabis Licences**"), with the exception of any U.S. federal laws, statutes, and/or regulations as applicable to the production, trafficking, distribution, processing, extraction, sale, etc. of cannabis and cannabis related substances and products. The Corporation and each its Subsidiaries is in material compliance with the terms and conditions of all such Cannabis Licences. All of such permits or licences are in good standing, valid and in full force and effect. The Corporation has no reason to believe that any party granting any such Cannabis Licence is considering limiting, suspending, modifying, withdrawing or revoking the same in any material respect. The Corporation has not received notice or other communication from, and is not aware of any pending enforcement action being taken by, any United States Governmental Authority against the Corporation or its Subsidiaries under the *Controlled Substances Act of 1970*.
- (aa) Other than as disclosed in the Information, the Corporation is not subject to any obligation to make any investment in or to provide funds by way of loan, capital contribution or otherwise to any persons.
- (bb) The Corporation and its Subsidiaries have a valid contractual interest in all of their material properties and assets, including, without limitation, all properties and assets reflected in the Body and Mind Financial Statements, free and clear of all mortgage, charge, pledge, hypothec, security interest, assignment, Lien, easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant, adverse claim, exception, reservation, right of occupation, any matter capable of registration against title, right of pre-emption, privilege or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation, whatsoever, other than: (i) Liens for Taxes not yet due and delinquent; and (ii) easements, encroachments and other minor imperfections of title which do not, individually or in the aggregate, materially detract from the value of or impair the use or marketability of any real property or interests in real property in any material respect or result in a Material Adverse Effect on the Corporation.
- (cc) The Corporation has not received notice of any material defect in its title or claim to its assets or any notice from any third party claiming such an interest, and, for the period of time that the Corporation has owned its assets, as applicable, all material relevant obligations of the Corporation have been performed and observed.
- (dd) Other than as disclosed in the Information and as disclosed to the Agents in the due diligence session held on May 15, 2019, the material contracts of the Corporation and its Subsidiaries previously disclosed in writing to the Agents (the "**Material Contracts**") are the only material documents and contracts currently in effect under and by virtue of which the Corporation is entitled to the assets and conducts its business. Each of the Material Contracts is in full force and effect and is unamended and there are no outstanding defaults or breaches under any of the Material Contracts on the part of the Corporation which would have a Material Adverse Effect on the Corporation.
-

- (ee) Other than as disclosed in the Information and as disclosed to the Agents in writing, the Corporation is not a party to any written management contract or employment agreement which provides for a right of payment in the event of a change in control of the Corporation.
 - (ff) Other than as disclosed in the Information and as disclosed to the Agents in writing, there are no plans for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of the Corporation.
 - (gg) The Corporation is a “reporting issuer” under the laws of the Provinces of British Columbia and Ontario and is not in default in any material respect of any requirements of Securities Laws related thereto. The Corporation is not, as at the date hereof, included on the list of defaulting reporting issuers maintained by any of the applicable securities regulatory authorities.
 - (hh) The Common Shares are registered under Section 12(g) of the U.S. Exchange Act.
 - (ii) The Common Shares are listed and posted for trading on the CSE.
 - (jj) No securities commission or similar regulatory authority has issued any order which is currently outstanding preventing or suspending trading in any securities of the Corporation, nor is such proceeding pending or, to the best of the knowledge of the Corporation, contemplated or threatened.
 - (kk) The Corporation has filed all proxy circulars, reports and other continuous disclosure documents required to be filed by it by applicable Securities Laws (“**Securities Reports**”). Each Securities Report was, as of the date of filing, in compliance in all material respects with all applicable requirements under applicable Securities Laws and none of the Securities Reports, as of their respective filing dates, contained any misrepresentation. No material change has occurred in relation to the Corporation which is not disclosed in the Securities Reports, and the Corporation has not filed any confidential material change reports which continue to remain confidential.
 - (ll) Other than membership interests in NMG Retail and NMG Ohio LLC held by certain directors of the Corporation, no director, officer, consultant, insider or other non-arm’s length party to the Corporation (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on revenue from or otherwise in respect of any assets of the Corporation.
 - (mm) Except for customary indemnity to its directors and officers, the Corporation is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment respecting the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation, other than its subsidiaries or as provided in the ordinary course of business.
-

- (nn) To the Corporation's knowledge, the Corporation and/or the Subsidiaries owns, or has obtained valid and enforceable licenses for, or otherwise has rights to all Intangible Property used by the Corporation and/or the Subsidiaries as of the date hereof. The Corporation has no knowledge that it lacks or will be unable to obtain any rights or licenses to Intangible Property used by the Corporation and/or the Subsidiaries as of the date hereof in order to conduct the business of the Corporation or the Subsidiaries as currently conducted or proposed to be conducted.
 - (oo) To the Corporation's knowledge, there is no infringement by any third party of any Corporation Intangible Property and there is no ongoing, pending or, to the Corporation's knowledge, threatened, action, suit, proceeding or claim by others challenging the Corporation's rights in or to any Corporation Intangible Property.
 - (pp) There is no ongoing, pending or, to the Corporation's knowledge, threatened, action, suit, proceeding or claim by others challenging the validity or enforceability of any Corporation Intangible Property, the Corporation has no knowledge of any third parties who have rights to any Corporation Intangible Property except for the ownership rights of the owners of the Corporation Intangible Property which are licensed to the Corporation or its Subsidiaries, and there is no ongoing, pending, or to the Corporation's knowledge, threatened, action, suit, proceeding or claim by others that the business as currently conducted, the Corporation or any of the Subsidiaries infringes or otherwise violates any Intangible Property of others.
 - (qq) Except for the Agent, the Corporation has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay any financial advisor, broker, agent or finder on account of any transaction presently ongoing or contemplated.
 - (rr) To the knowledge of the Corporation, there is no legislation, or proposed legislation to be published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Corporation.
 - (ss) To the extent applicable, the policies of insurance in force at the date hereof naming the Corporation as an insured remain in force and effect, and such policies are equivalent to those used as the industry standard, and will not be cancelled or otherwise terminated as a result of the transactions contemplated herein and there are no pending or outstanding claims, notices of non-renewal or cancellation or, to the best of the knowledge of the Corporation, any events which may give rise to a claim, under such policies.
 - (tt) To the knowledge of the Corporation, it is in good standing under all, and is not in default under any, and there is no existing condition, circumstance or matter which constitutes or which, with the passage of time or the giving of notice, would constitute a default under any, leases, licences (including the Cannabis Licences), permits, registrations and other title and operating documents or any other agreements and instruments pertaining to its real property assets to which it is a party or by or to which it or such assets are bound or subject and, all such leases, licenses, permits, registrations, title and operating documents and other agreements and instruments are in good standing and in full force and effect and, to the best of the knowledge of the Corporation, none of the counterparties to such leases, licenses, permits, registrations, title and operating documents and other agreements and instruments is in default thereunder except to the extent that such defaults would not in the aggregate have a Material Adverse Effect on the Corporation.
-

- (uu) The Corporation has not agreed to recognize any union or other collective bargaining representative, nor has any other union or other collective bargaining representative been certified as the exclusive bargaining representative of any of the Corporation's employees or consultants, and the Corporation is not a party to, or bound by, any collective bargaining agreement or any other labour contract applicable to any employees. To the best of the knowledge of the Corporation, no union organizational campaign or representation petitions are currently pending with respect to any of the Corporation's employees. There is no labour strike or labour dispute, slowdown, lockout or stoppage actually pending or to the best of the knowledge of the Corporation, threatened against or affecting the Corporation, and the Corporation has not experienced any labour strikes or labour disputes, slowdowns, lockouts or stoppages within the last three years.
 - (vv) The Corporation is not aware of any of the directors or officers of the Corporation receiving any objection from securities regulatory authorities to their serving in capacities as directors or officers of a reporting issuer in any jurisdiction of Canada or the United States.
 - (ww) None of the Corporation nor any other person associated with or acting on behalf of the Corporation including, without limitation, any director, officer, agent or employee of the Corporation: (i) used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (ii) made any unlawful payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the *Corruption of Foreign Public Officials Act*; or (iv) made any other unlawful payment.
 - (xx) The Corporation makes the representations, warranties and covenants applicable to it in Schedule "B" hereto and acknowledges that the terms and conditions of the representations, warranties and covenants of the parties contained in Schedule "B" form part of this Agreement.
 - (yy) None of the directors or officers of the Corporation are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange. Neither the Corporation, nor any predecessor of the Corporation, any director, executive officer or other officer of the Corporation participating in the Offering, any beneficial owner of 20% or more of the Corporation's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of the Offered Units (but excluding the Agent, its U.S. Affiliate, and any other agency group members) (each, an "**Issuer Covered Person**" and, collectively, the "**Issuer Covered Persons**") is subject to a Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) under Regulation D. The Corporation has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. It has complied, to the extent applicable, with its disclosure obligations under Rule 506(e) under Regulation D, and has furnished to the Agent and its U.S. Affiliates a copy of any disclosures provided thereunder. The Corporation has not paid and will not pay, nor is it aware of any Person that has paid or will pay, directly or indirectly, any remuneration to any Person (other than the Dealer Covered Persons), for solicitation of purchasers of any Offered Units sold pursuant to Regulation D. It will notify the Agent in writing, prior to the Closing Date, of any Disqualification Event relating to any Issuer Covered Person.
-

8. **Covenants of the Corporation**

- (a) **Consents and Approvals:** Immediately following the acceptance by the Corporation hereof, the Corporation covenants and agrees with the Agents and the Purchasers that the Corporation will:
- (i) obtain, to the extent required or not already obtained, the necessary regulatory or securities exchange consents or approvals for the Offering on such terms as are mutually acceptable to the Agents and the Corporation, acting reasonably; and
 - (ii) make all necessary filings to obtain all other necessary regulatory and other consents and approvals required in connection with the transactions contemplated by this Agreement.
- (b) **General:** The Corporation hereby covenants and agrees with the Agent and the Purchasers that the Corporation will:
- (i) comply with all legal requirements to permit the creation, issue, offering and sale of the Offered Units, the creation and issue of the Agent Warrants and the issue of the Units, the Warrant Shares, the Agent Warrant Units, the Agent Warrant Shares, the Agent Warrant Warrants and the Agent Warrant Warrant Shares as contemplated in this Agreement including, without limitation, (i) compliance with the Securities Laws of the Offering Jurisdictions to enable such securities to be offered for sale and sold to the Purchasers, and the Agent Warrants to be issued to the Agent, without the necessity of filing a prospectus or registration statement in the Offering Jurisdictions, and (ii) compliance with applicable U.S. Securities Laws to enable the securities to be offered and sold to U.S. Purchasers without registration under applicable U.S. Securities Laws (including pursuant to applicable state securities laws);
 - (ii) for a period of at least 24 months after the Closing Date, use its commercially reasonable efforts to remain a validly subsisting corporation licensed, registered or qualified as an extra-provincial or foreign corporation in all jurisdictions, as applicable, where the character of the properties owned or leased by the Corporation or the nature of the activities conducted by the Corporation make such licensing, registration or qualification necessary and shall carry on the business as currently conducted and in compliance in all material respects with all applicable laws, rules and regulations of each such jurisdiction;
 - (iii) use its commercially reasonable efforts to maintain the listing of the Common Shares on the CSE or other national securities exchange and maintain its status as a "reporting issuer" (or the equivalent thereof) in British Columbia, Ontario and the United States and not be in default of the requirements of the applicable Securities Laws of each of the Reporting Jurisdictions which have such a concept to the date which is 48 months following the Closing Date;
-

- (iv) the Corporation shall deliver to the Agents a copy of all press releases made that result in material changes and other material documents filed with any regulatory authority, in each case in connection with the Offering forthwith upon such press release being made or material change report or other document being filed until 30 days after the Closing Date;
- (v) forthwith after the Closing Date file such documents as may be required under the Securities Laws of the Offering Jurisdictions relating to the offering of the Offered Units which, without limiting the generality of the foregoing, shall include a Form 45-106F1 as prescribed under NI 45-106, the Presentation and Form D and any other documents required to be filed by the Corporation under U.S. Securities Laws in connection with the Offering; and
- (vi) use its best efforts to cause its legal counsel and transfer agent to process each duly completed and compliant request for delegending of the U.S. legend on certificates representing the Shares, Warrants and Warrant Shares within two (2) Business Days of receipt of such duly completed and compliant request.

Nothing herein contained in subsections 8(b)(ii) and 8(b)(iii) will prevent any amalgamation or merger of the Corporation with or into any other company, or the sale of the property or assets of the Corporation to any company lawfully entitled to acquire the same. If the Corporation is amalgamated or merged with or into any other company or companies, or sells all or substantially all of its property or assets as an entirety to any other company, the successor company formed by such consolidation or amalgamation, or into which the Corporation is amalgamated or merged or which so receives a sale, will succeed to and be substituted for the Corporation hereunder.

9. **Termination**

- (a) **Right of Termination:** The Agents shall be entitled, in their sole discretion, to terminate and cancel, without any liability on the part of the Agents, all of their obligations under this Agreement and the obligations of any Person who has executed a Subscription Agreement, by notice in writing to that effect delivered to the Corporation prior to or at the Closing Time if:
 - (i) the Agents are not satisfied in their sole discretion with the results of the due diligence review and investigation of the Corporation conducted by the Agents;
 - (ii) there is, in the sole opinion of the Agents, a material change or change in a material fact in relation to the Corporation which might reasonably be expected to have a significant adverse effect on the market price or value of the Common Shares or any other securities of the Corporation or on the marketability of the Offered Units;
 - (iii) there should develop, occur or come into effect or existence any event of any nature of national or international consequence, or any law or regulation is promulgated or changed which, in the sole opinion of the Agents, seriously adversely affects, or involves, or will seriously adversely affect, the financial markets generally or the business, operations or affairs of the Corporation;
-

- (iv) the state of the financial markets becomes such that in the sole reasonable opinion of the Agents it would be unprofitable to offer or continue to offer for sale the Offered Units;
 - (v) any order or ruling is issued, or any inquiry, action, suit, proceeding or investigation (whether formal or informal) is instituted or announced or threatened in relation to the Corporation or any of the directors, officers or principal shareholders of the Corporation (other than one based solely upon the activities or alleged activities of the Agent) or any law or regulation is promulgated or changed which prevents or restricts trading in or the distribution of securities of the Corporation (other than one based solely upon the activities or alleged activities of the Agents) and has not been rescinded, revoked or withdrawn; or
 - (vi) the Corporation is in breach of a material term, condition or covenant of this Agreement required to be fulfilled at or prior to the Closing Time (the Corporation agreeing that all terms and conditions in this Agreement to be fulfilled at or prior to the Closing Time shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by it, that it will use its commercially reasonable best efforts to cause such conditions to be complied with, and that the Agent may waive, in whole or in part, or extend the time for compliance with, any terms and conditions of this Agreement without prejudice to their rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agents only if the same is in writing) or any of the representations or warranties made by the Corporation in this Agreement is false or has become false in any material respect.
- (b) Rights on Termination: Any termination by the Agents pursuant to subsection 9(a) hereof shall be effected by notice in writing delivered by the Agents to the Corporation at the address thereof as set out in section 14 hereof. The right of the Agents to so terminate the obligations thereof under this Agreement is in addition to such other remedies as the Agents may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement. In the event of a termination by the Agents pursuant to subsection 9(a) hereof there shall be no further liability on the part of the Agents to the Corporation or of the Corporation to the Agents except any liability which may have arisen or may thereafter arise under either section 10 or 11.
- (c) Return of Purchase Price: If this Agreement is terminated by the Agents pursuant to subsection 9(a), the Purchase Price for the Offered Units received from any Purchaser which have not yet been subject to a Closing will be returned to such Purchaser, without interest or deduction.
-

10. **Indemnity and Contribution**

- (a) **Indemnity:** The Corporation hereby covenants and agrees to indemnify and save harmless the Agents and each investment dealer which is a member of any agency group formed by the Agents in connection with the Offering, each of the affiliates of each of them and the respective directors, officers, employees, shareholders, partners, advisors and agents of the Agents and each investment dealer which is a member of any agency group formed by the Agents in connection with the Offering and of each of the affiliates of each of them (in this section 10 each an “**Indemnified Person**” and collectively the “**Indemnified Persons**”) from and against all losses (other than a loss of profits or opportunity), claims, damages, payments, liabilities, costs, fines, penalties and expenses (other than punitive damages) (including the amount paid in settlement of any claim, action, suit or proceeding and the reasonable fees and expenses of counsel incurred obtaining advice in respect of, or in defending or settling, any such claim, action, suit or proceeding), joint or several, of whatsoever nature or kind to which an Indemnified Person may become subject or otherwise involved in any capacity under statute or common law or otherwise caused or incurred by reason of or in any way arising, directly or indirectly, from, by virtue of, or related to (other than by reason of breach of this Agreement, a fraudulent act, gross negligence, willful misconduct or bad faith of the Agents, in which case this indemnity shall cease to apply to such Indemnified Person and the Agents shall reimburse any funds advanced by the Corporation to the Indemnified Person pursuant to this indemnity):
- (i) enforcing the provisions of this Agreement or any of the Offering Documents;
 - (ii) the Agents having acted as the agents of the Corporation in respect of the Offering;
 - (iii) any statement or information contained in the Information which at the time and in light of the circumstances under which it was made containing or being alleged to contain a material misrepresentation or being or being alleged to be materially untrue, false or misleading;
 - (iv) the omission or alleged omission to state in the Information any material fact required to be stated therein or necessary to make any statement therein not materially misleading in light of the circumstances under which it was made;
 - (v) any order made or inquiry, investigation or proceeding commenced or threatened by any officer or official of the CSE, any securities commission or authority or any other competent authority, not based upon the activities or the alleged activities of the Agents or any member of any agency group formed by the Agents in connection with the Offering;
 - (vi) the non-compliance or alleged non-compliance by the Corporation with any of the Securities Laws of the Offering Jurisdictions or any other applicable law in connection with the transactions contemplated herein; or
 - (vii) any negligence or willful misconduct by the Corporation relating to or connected with the sale by the Corporation of the Offered Units;
-

- (viii) any material misrepresentation or alleged material misrepresentation (except any made by the Agents and for which the Agents did not rely on any information provided by the Corporation or anyone acting on its behalf) relating to the Offering or the Offered Units, whether oral or written, and made during and in connection with the Offering;
- (ix) the breach of, or default under, any term, condition, covenant or agreement of the Corporation made or contained herein or in any other document of the Corporation delivered pursuant hereto or made by the Corporation in connection with the sale of the Offered Units or any representation or warranty of the Corporation made or contained herein or in any other document of the Corporation delivered pursuant hereto or in connection with the sale of the Offered Units being or being alleged to be untrue, false or misleading.

If any matter or thing contemplated by this section 10 shall be asserted against any Indemnified Person in respect of which indemnification is or might reasonably be considered to be provided hereunder, such Indemnified Person shall promptly notify the Corporation, in writing as soon as possible of the nature of such claim and the Corporation shall be entitled, but not required, to assume the defence of any action, suit or proceeding brought to enforce such claim; provided, however, that the defence shall be through legal counsel reasonably acceptable to the Indemnified Person and that no settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other of them and the Corporation shall not be liable for any settlement of any such claim unless it has consented in writing to such settlement, such consent not to be unreasonably withheld.

- (b) Counsel: In any claim referred to in section 10 hereof, the Indemnified Person shall have the right to retain separate legal counsel to act on behalf of such Indemnified Person provided that the reasonable fees and disbursements of such separate legal counsel shall be paid by the Indemnified Person unless:
 - (i) the Corporation fails to assume the defence of such claim on behalf of the Indemnified Person within a reasonable period of time of receiving notice of such claim,
 - (ii) the Corporation and the Indemnified Person shall have mutually agreed in writing to the retention of such separate legal counsel, or
 - (iii) the named parties to such claim (including any added, third or impleaded parties) include both the Corporation and the Indemnified Person and the Indemnified Person has been advised in writing by legal counsel to the Indemnified Person that representation of both the Corporation and the Indemnified Person by the same legal counsel would be inappropriate due to actual or potential differing interests between them,

in which event or events the fees and disbursements of such separate legal counsel shall be paid by the Corporation, subject as hereinafter provided. Where more than one Indemnified Person is entitled to retain separate counsel in the circumstances described in this subsection 10(b), all Indemnified Persons shall be represented by one legal counsel and the fees and disbursements of only one separate legal counsel for all Indemnified Persons shall be paid by the Corporation.

- (c) Waiver of Right: The Corporation hereby waives its right to recover contribution from the Agent and the other Indemnified Persons with respect to any liability of the Corporation by reason of or arising out of the indemnity provided by the Corporation in this section 10; provided, however, that such waiver shall not apply in respect of the Agents for any liability directly caused or incurred by reason or arising out of any information or statements relating solely to, and provided by, the Agents or any failure by the Agents in connection with the Offering to provide to Purchasers any document which the Corporation is required to provide to the Purchasers and which the Corporation has provided or made available to the Agents to forward to the Purchasers.
- (d) Contribution:
- (i) In order to provide for just and equitable contribution in circumstances in which the indemnity contained in this section 10 is, for any reason of policy or otherwise, held to be unavailable to or unenforceable by, in whole or in part, an Indemnified Person other than in accordance with the provisions of this section 10, the Corporation shall contribute to the aggregate losses (other than a loss of profit or opportunity), claims, damages, liabilities, costs, fines, penalties and expenses (other than punitive damages) (including the amount paid in settlement of any claim, action, suit or proceeding and the fees and expenses of counsel on a solicitor and his own client basis incurred obtaining advice in respect of, or in defending or settling, any such claim, action, suit or proceeding) of the nature contemplated by such indemnity incurred or paid by the Indemnified Person in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Indemnified Person on the other hand in connection with the Offering but also the relative fault of the Corporation on the one hand and the Indemnified Person on the other hand in connection with the matters, things and actions which resulted in such losses, claims, damages, payments, liabilities, costs, fines, penalties or expenses as well as any other relevant equitable considerations or, if such allocation is not permitted by applicable law, in such proportion so that the Indemnified Person shall be responsible for the proportion represented by the percentage that the Agents' fee per Offered Unit bears to the Purchase Price and the Corporation shall be responsible for the balance, whether or not they are a party to the same or separate claims; provided, however, that no Person who has engaged in any dishonesty, fraud, fraudulent misrepresentation, fraudulent act, negligence, willful misconduct or willful default shall be entitled to contribution from any Person who has not engaged in any dishonesty, fraud, fraudulent misrepresentation, fraudulent act, negligence, willful misconduct or willful default and further provided that in no event shall the Agents be responsible for any amount in excess of the cash fee actually received from the Corporation under this Agreement and retained by the Agents. For purposes of this subsection 10(d), relative fault shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or any omission or alleged omission to state a material fact relates to information supplied by the Corporation on the one hand or the Agent on the other hand and the relevant intent, knowledge, access to information and opportunity to correct or prevent any such untrue statement or omission of the Corporation and the Indemnified Person.
-

- (ii) In the event that the Corporation is held to be entitled to contribution from the Agents under the provisions of any statute or law, the Corporation shall be limited to such contribution in an amount not exceeding the lesser of:
 - A. the portion of the amount of the loss or liability giving rise to such contribution for which the Agents are responsible as determined in accordance with subsection 10(d)(i) above; and
 - B. the amount of the fee actually received from the Corporation under this Agreement.
- (iii) For purposes of this subsection 10(d), each party hereto shall give prompt notice to the other party hereto of any claim, action, suit or proceeding threatened or commenced in respect of which a claim for contribution may be made under this subsection 10(d).
- (e) **Held in Trust:** To the extent that the indemnity contained in subsection 10(a) hereof is given in favour of a Person who is not a party to this Agreement, the Corporation hereby constitutes the Agents as trustees for such Person for such indemnity and the covenants given by Corporation to such Person in this Agreement. The Agents hereby accept such trust and shall hold such indemnity and covenants for the benefit of such Persons. The benefit of such indemnity and covenants shall be held by the Agents in trust for the Persons in favour of whom such indemnities and covenants are given and may be enforced directly by such Persons.

11. **Expenses**

Whether or not the purchase and sale of the Offered Units shall be completed as contemplated by this Agreement, all expenses of or incidental to the issue, sale and delivery of the Offered Units and of or incidental to all matters in connection with the transactions herein set out shall be borne by the Corporation including, without limitation, (i) the legal fees up to CAD\$35,000 of counsel for the Agents (plus disbursements and applicable taxes); and (ii) the Agents' reasonable "out of pocket" expenses (plus disbursements and applicable taxes).

12. **Future Services**

- (a) If during the period commencing on the date hereof and 24 months following the Closing Date (the "**Right to Participate Period**"), the Corporation undertakes any marketed public or private offering of debt, equity or equity-based securities, the Agents will have a right to participate in such transaction on such terms and in such amounts as determined by the Corporation. In such event, the Corporation and the Agents will enter into a separate agreement or other appropriate documentation for such participation. The foregoing right to participate must be exercised by the Agents within five Business Days following written notification from the Corporation that the Corporation requires or proposes to obtain additional marketed financing, failing which the Agents shall relinquish its rights with respect to participation in that particular transaction only and shall continue to have a right to participate in relation to any other marketed public or private offering of debt, equity, equity-based securities of the Corporation during the Right to Participate Period. The Corporation confirms that there are no other rights to provide debt or equity financing services to the Corporation currently outstanding and covenants that it shall not grant any such rights during the Right to Participate Period.

13. **Restrictions on Further Issues or Sales**

The Corporation agrees that it will not, directly or indirectly, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any debt or equity securities or securities convertible into, exchangeable for, or otherwise exercisable to acquire equity securities, other than issuances in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Corporation and other share compensation arrangements; (ii) the exercise of outstanding warrants; and (iii) any existing agreement for a transaction with an arm's length third party whereby the Corporation directly or indirectly acquires shares or assets of a business, from the date hereof and continuing for a period of 120 days from the Closing Date without the prior written consent of the Agents, such consent not to be unreasonably withheld or delayed.

14. **Lock-up Agreements**

The Corporation agrees that it will cause its directors and officers and each of such director's and officer's associates and affiliates (collectively, the "Insiders") to deliver signed agreements (the "Lock-Up Agreements"), in form and content acceptable to the Agents and their counsel, acting reasonably, to the Agents on or before the Closing Time, pursuant to which the Insiders agree, for a period beginning on the date hereof and ending 120 days after the Closing Date, not to directly or indirectly, sell or agree to sell (or announce any intention to do so), more than 10% of each such Insider's Common Shares or securities exchangeable or convertible into Common Shares without the prior written consent of the Agents, such consent not to be unreasonably withheld or delayed, subject to customary exceptions.

15. **Conditions**

All of the terms and conditions contained in this Agreement to be satisfied by the Corporation prior to the Closing Time shall be construed as conditions and any breach or failure by the Corporation to comply with any of material terms and conditions shall entitle the Agents to terminate the obligations thereof to complete the Closing by written notice to that effect given by the Agents to the Corporation prior to the Closing Time. It is understood and agreed that the Agents may waive in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights thereof in respect of any other such term and condition or any other or subsequent breach or non-compliance; provided that to be binding on the Agents any such waiver or extension must be in writing and signed by the Agents. If the Agents shall elect to terminate the obligations thereof to complete the Closing as aforesaid, whether the reason for such termination is within or beyond the control of the Corporation, the liability of the Corporation hereunder shall be limited to the indemnity referred to in section 10 hereof, the right to contribution referred to in section 10 hereof and the payment of expenses referred to in section 11 hereof.

16. **Notices**

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be personally delivered or sent by electronic communication no later than 5:00 p.m., Toronto time, on a Business Day to the following addresses:

- (a) in the case of the Corporation:

Body and Mind Inc.
1095 West Pender Street, Suite 750
Vancouver, BC V6E 2M6

Attention: Leonard Clough
Email: len@altuscapital.ca

With a copy to: (which shall not constitute notice)

McMillan LLP
Suite 1500, 1055 West Georgia Street
Vancouver, BC V6B 4N7

Attention: Desmond Balakrishnan
Email: desmond.balakrishnan@mcmillan.ca

- (b) in the case of the Agent:

M Partners Inc.
70 York Street, Suite 1500
Toronto, ON M5J 1S9

Attention: Steve Eisenberg
Email: si@mpartners.ca

with a copy to (which shall not constitute notice):

Torys LLP
79 Wellington Street West
30th Floor, Box 270, TD South Tower
Toronto, Ontario M5K 1N2

Attention: Cheryl Reicin
Email: creicin@torys.com

Either the Corporation or the Agents may change its address for notice by notice given in the manner aforesaid. Any such notice or other communication shall be in writing, and unless delivered to a responsible officer of the addressee, shall be given by electronic transmission, and shall be deemed to have been given on the day on which it was delivered or sent by electronic transmission unless such transmission was sent outside of usual business hours in the jurisdiction of receipt, in which case it shall be deemed given on the next Business Day.

17. **Acknowledgements**

The Corporation acknowledges that the Agents is a registered dealer which may engage from time to time in securities trading activities as well as providing investment banking and financial advisory services and that in the ordinary course of its trading activities, the Agents and its affiliates at any time may hold long and short positions, and may trade or otherwise effect transactions, for their own account or the accounts of their clients, in debt or equity securities of the Corporation or any other person that may be involved in or related to the use of proceeds of the Offering or related derivative securities. The Corporation further acknowledges that the Agents and certain of their affiliates may participate in securities transactions on a proprietary basis, including the Offering or other securities of the Corporation or related entities.

The Agents acknowledge their responsibility to comply with applicable Securities Laws, including prohibitions on trading securities with knowledge of a material fact or material change that has not been generally disclosed.

The Corporation further acknowledges that the Agents are acting solely as agents in connection with the offer and sale of the Offered Units and that the Agents are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Agents act or be responsible as fiduciaries to the Corporation, its management, shareholders or creditors or any other person in connection with any activity that the Agents may undertake or have undertaken in furtherance of such offer and sale of the Corporation's securities, either before or after the date hereof. The Agents hereby expressly disclaim any fiduciary or similar obligations to the Corporation, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Corporation hereby confirms its understanding and agreement to that effect. The Corporation and the Agents agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Agents to the Corporation regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Corporation's securities, do not constitute advice or recommendations to the Corporation. The Corporation and the Agents agree that the Agents are not acting as fiduciaries of the Corporation and the Agents have not, and will not assume, any advisory responsibility in favour of the Corporation with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether the Agents have advised or are currently advising the Corporation on other matters).

18. **Miscellaneous**

- (a) **Reliance of the Agent:** All steps or other actions which must or may be taken by the Agents in connection with this Agreement shall be taken by the Agents, with the exception of the matters contemplated by sections 9, 10 and 12 on the Agents' behalf, and the execution of this Agreement by the Agents shall constitute the authority of the Corporation for accepting notification of any such steps or other actions from the Agents.
 - (b) **Governing Law:** This Agreement shall be governed by and be interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of such province.
-

- (c) Time of Essence: Time shall be of the essence of this Agreement.
- (d) Survival: All representations, warranties, covenants and agreements of the Corporation and the Agents herein contained or contained in any documents contemplated by, or delivered pursuant to, this Agreement or in connection with the purchase and sale of the Offered Units shall survive the purchase and sale of the Offered Units and the termination of this Agreement and shall continue in full force and effect for the benefit of the Corporation, the Agents and the Purchasers.
- (e) Counterparts: This Agreement may be executed by any one or more of the parties to this Agreement by facsimile or in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.
- (f) Entire Agreement: This Agreement constitutes the entire agreement between the Corporation and the Agents in connection with the issue and sale of the Offered Units by the Corporation and supersedes any terms or provisions relating to the Offering in all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Corporation and the Agents.
- (g) Severability: If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severed from this Agreement.
- (h) Language: The parties hereto acknowledge and confirm that they have requested that this Agreement as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux présentes reconnaissent et confirment qu'elles ont convenu que la présente convention ainsi que tous les avis et documents qui s'y rattachent soient rédigés dans la langue anglaise.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Would you kindly confirm the agreement of the Corporation to the foregoing by executing this Agreement and thereafter returning such executed copy to the Agents.

Yours truly,

M PARTNERS INC.

By: /s/ Steven Isenberg
Name: Steven Isenberg
Title: Chief Executive Officer

PI FINANCIAL CORP.

By: /s/ Timothy Johnston
Name: Timothy Johnston
Title: Managing Director

The undersigned hereby accepts and agrees to the foregoing as of the 17th day of May, 2019.

BODY AND MIND INC.

By: /s/ Leonard Clough
Name: Leonard Clough
Title: Chief Executive Officer

SCHEDULE "A"
PRESIDENT'S LIST

SCHEDULE "B"

TERMS AND CONDITIONS FOR UNITED STATES OFFERS AND SALES

As used in this Schedule "B" and related exhibits, the following terms shall have the meanings indicated:

- (a) **"Dealer Covered Person"** has the meaning set forth below;
 - (b) **"Directed Selling Efforts"** means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S, which, without limiting the foregoing, but for greater clarity in this Schedule, includes, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Units and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Units;
 - (c) **"Disqualification Event"** has the meaning set forth below;
 - (d) **"General Solicitation"** and **"General Advertising"** mean "general solicitation" and "general advertising", respectively, as used under Rule 502(c) under the U.S. Securities Act, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
 - (e) **"Regulation D"** means Regulation D adopted by the SEC under the U.S. Securities Act;
 - (f) **"Regulation D Offered Units"** has the meaning set forth below;
 - (g) **"Regulation S"** means Regulation S adopted by the SEC under the U.S. Securities Act;
 - (h) **"SEC"** means the United States Securities and Exchange Commission;
 - (i) **"Selling Firm"** means any other member of the Agent's agency group registered as a broker or dealer with the SEC and under any applicable state securities laws (unless exempted from the applicable state's broker-dealer registration requirements) with which the Agent has a contractual relationship in respect of the distribution of the Offered Units;
 - (j) **"Subscription Agreement"** means the subscription agreement of the Corporation;
 - (k) **"United States"** means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
 - (l) **"U.S. Accredited Investor"** means a U.S. Purchaser that is an "accredited investor" as specified in Rule 501(a) of Regulation D;
 - (m) **"U.S. Accredited Investor Certificate"** has the meaning set forth below;
 - (n) **"U.S. Affiliate"** means the United States registered broker-dealer affiliate of an Agent or, if applicable, a Selling Firm;
-

- (o) “**U.S. Exchange Act**” means the *United States Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder;
- (p) “**U.S. Person**” means a U.S. person as that term is defined in Rule 902(k) of Regulation S; and
- (q) “**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

All other capitalized terms used but not otherwise defined in this Schedule shall have the meanings assigned to them in the Agreement to which this Schedule is attached.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees with the Agents that:

1. The Corporation is not, and after giving effect to the offering and the application of the proceeds as contemplated hereby, will not be, required to register as an “investment company” as such term is defined under the Investment Company Act of 1940, as amended.
 2. During the period in which the Offered Units are offered for sale, none of it, its affiliates, or any person acting on its or their behalf (other than the Agents, a U.S. Affiliate, any Selling Firm, any of its or their respective affiliates, or any person acting on any of its or their behalf, in respect of which no representation, warranty, covenant or agreement is made): (i) has made or will make any Directed Selling Efforts; or (ii) has engaged in or will engage in any form of General Solicitation or General Advertising with respect to offers or sales of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the internet, or broadcast over radio, television or the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising or has taken or will take any action that would constitute a public offering of the Offered Units in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act.
 3. For a period of six months prior to the commencement of the Offering, and for a period of six months subsequent to the Closing Date, none of it, its affiliates or any person acting on its or their behalf (other than the Agents, a U.S. Affiliate, any Selling Firm, any of its or their respective affiliates, or any person acting on any of its or their behalf, in respect of which no representation, warranty, covenant or agreement is made): (i) has sold, offered for sale or solicited any offer to buy, and will not sell, offer for sale or solicit any offer to buy, any of the Corporation’s securities in a manner that would be integrated with the offer and sale of the Offered Units and would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Offered Units, and (ii) has engaged or will engage in any General Solicitation or General Advertising in connection with any offer or sale of the Corporation’s securities in reliance upon Rule 506(c) of Regulation D or otherwise in a manner that would be integrated with the offer and sale of the Offered Units and would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons.
-

4. During the period in which the Offered Units are offered for sale, none of the Corporation, its affiliates, or any person acting on any of its or their behalf (other than the Agents, a U.S. Affiliate, any Selling Firm, any of its or their respective affiliates or any person acting on its or their behalf, in respect of which no representation, warranty, covenant or agreement is made) has taken or will take any action (i) in violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Offered Units or (ii) that would cause the exemption afforded by Rule 506(b) of Regulation D to be unavailable for offers and sales of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons in accordance with this Agreement, or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Units outside the United States in accordance with this Agreement.
 5. Within 15 days of the first sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, the Corporation will file a Form D, Notice of Sale, with the SEC and any applicable state securities commissions in connection with the offer and sale of such securities.
 6. Neither the Corporation nor any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction, temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
 7. Except with respect to offers and sales in accordance with this Agreement (including this Schedule "B") in the United States to persons that are U.S. Accredited Investors in reliance upon the exemption from registration set forth in Rule 506(b) of Regulation D, none of the Corporation, its affiliates, or any person acting on its or their behalf (other than the Agents, a U.S. Affiliate, any Selling Firm, any of its or their respective affiliates or any person acting on any of its or their behalf, in respect of which no representation, warranty, covenant or agreement is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Units in the United States; or (B) any sale of Offered Units unless, at the time the buy order was or will have been originated, the Subscriber is (i) outside the United States or (ii) the Corporation, its affiliates, and any person acting on their behalf reasonably believes that the Purchaser is outside the United States.
 8. As of the Closing Date, with respect to the Offered Units to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D (the "**Regulation D Offered Units**"), none of the Corporation, any of its predecessors, any "affiliated" (as such term is defined in Rule 501(b) of Regulation D) issuer, any director, executive officer or other officer of the Corporation participating in the offering of the Regulation D Offered Units, any beneficial owner of 20% or more of the Corporation's outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of the Regulation D Offered Units (other than any Dealer Covered Person, as to whom no representation, warranty, acknowledgement, covenant or agreement is made) is subject to any Disqualification Event.
 9. As of the Closing Date, the Corporation is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Offered Units.
-

Representations, Warranties and Covenants of the Agents

The Agents acknowledge and agree that the Offered Units have not been and will not be registered under the U.S. Securities Act or applicable state securities laws, and the Offered Units may be offered and sold only in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, each Agent severally (and not jointly) represents, warrants and covenants to the Corporation that:

1. None of the Agent, a Selling Firm, their respective affiliates or any person acting on any of its or their behalf has offered or will offer any Offered Units except: (a) in an “offshore transaction,” as such term is defined in Regulation S, outside the United States in accordance with Rule 903 of Regulation S; or (b) in the United States or to, or for the account or benefit of, U.S. Persons who are U.S. Accredited Investors purchasing pursuant to the exemption from the registration requirements of the U.S. Securities Act under Rule 506(b) of Regulation D and in compliance with similar exemptions under applicable state securities laws as provided in paragraphs 2 through 12 below. Accordingly, none of the Agent, a Selling Firm, their respective affiliates or any person acting on any of its or their behalf, has made or will make (except as permitted in paragraphs 2 through 12 below): (i) any offer to sell, or any solicitation of an offer to buy, any Offered Units in the United States or to, or for the account or benefit of, U.S. Persons; (ii) any sale of Offered Units to any purchaser unless, at the time the buy order was or is originated, the purchaser was outside the United States, or the Agent, a Selling Firm, their respective affiliates or person acting on its or their behalf reasonably believed that such purchaser was outside the United States; or (iii) any Directed Selling Efforts.
 2. It has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Offered Units, except with a Selling Firm or with the prior written consent of the Corporation. It shall require each Selling Firm to agree in writing, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that the Selling Firm complies with, the same provisions of this Schedule “B” as apply to such Agent as if such provisions applied to the Selling Firm.
 3. All offers and sales of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons have been and shall be made only by a U.S. Affiliate registered pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which offers and sales were or will be made (unless exempted from the respective state’s broker-dealer registration requirements) and in good standing with the Financial Industry Regulatory Authority, Inc., in compliance with all applicable U.S. federal and state broker-dealer requirements.
 4. Offers of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons have not been made and shall not be made by any form of General Solicitation or General Advertising, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or on the internet, or broadcast over radio, television or the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising and none of the Agents, a Selling Firm, their respective affiliates or any person acting on any of their behalf has taken or will take any action that would constitute a public offering of the Offered Units in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act.
-

5. The Agent, acting only through its U.S. Affiliate, has offered and will offer the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons only to offerees with respect to which the Agents or its U.S. Affiliate has a pre-existing business relationship and has reasonable grounds to believe and does believe, are U.S. Accredited Investors (and in compliance with Rule 506(b) of Regulation D and applicable state securities laws).
 6. Prior to the completion of any sale by the Corporation of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, each such purchaser will be required to complete and execute a U.S. Subscription Agreement and a U.S. Accredited Investor Certificate in the form annexed as Schedule "C" to the Subscription Agreement (the "**U.S. Accredited Investor Certificate**").
 7. Prior to the Closing Date, the Agent will provide the Corporation and the transfer agent of the Corporation with a list of all purchasers of the Offered Units who are in the United States or are U.S. Persons or who were offered Offered Units in the United States. Prior to the Closing Date, the Agent will provide the Corporation with copies of all U.S. Subscription Agreements (including, all U.S. Accredited Investor Certificates), duly executed by such purchasers for acceptance by the Corporation.
 8. At Closing, each Agent and each Selling Firm that has offered or sold Offered Units in the United States, or to or for the account or benefit of any U.S. Persons, will provide a certificate, substantially in the form of Exhibit I to this Schedule "B", relating to the manner of the offer and sale of the Offered Units in the United States, or to or for the account or benefit of any U.S. Persons, or the Agent and such persons will be deemed to have represented and warranted that no offers or sales of the Offered Units were made in the United States.
 9. None of the Agent, a Selling Firm, their respective affiliates, or any person acting on any of its or their behalf, has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act with respect to the offer or sale of the Offered Units.
 10. As of the Closing Date, with respect to Regulation D Offered Units, the Agents represent that none of (i) the Agents or any Selling Firm, (ii) the Agents or any Selling Firm's general partners or managing members, (iii) any of the Agents' or the Selling Firm's directors, executive officers or other officers participating in the Offering of the Regulation D Offered Units, (iv) any of the Agents' or the Selling Firm's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Regulation D Offered Units, or (v) any other person associated with any of the above persons that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with sale of Regulation D Offered Units (each, a "**Dealer Covered Person**" and, collectively, the "**Dealer Covered Persons**"), is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1) under Regulation D (a "**Disqualification Event**").
 11. As of the Closing Date, the Agent represents that it is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Offered Units.
 12. It is acquiring its Agent Warrants as principal for its own account and not for the benefit of any other person. It agrees that it will not engage in any Directed Selling Efforts with respect to any Agent Warrants.
-

**EXHIBIT I
TO SCHEDULE “B”**

AGENTS’ CERTIFICATE

In connection with the offer and sale in the United States of Offered Units of Body and Mind Inc. (the “**Corporation**”) pursuant to an agency agreement (the “**Agency Agreement**”) dated May 3, 2019 between the Corporation, M Partners Inc. (the “**Lead Agent**”) and PI Financial Corp. (together with the Lead Agent, the “**Agents**”), the undersigned do hereby certify as follows:

- (i) [•] (the “**U.S. Selling Group Member**”) was on the date of each offer and sale of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, and is on the date hereof, a duly registered broker-dealer with the United States Securities and Exchange Commission and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state’s broker-dealer registration requirements) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc.;
 - (ii) all offers and sales of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons have been conducted by us through the U.S. Selling Group Member, and in accordance with the terms of the Agency Agreement (including Schedule “B” thereto) and all applicable U.S. federal and state broker-dealers requirements;
 - (iii) immediately prior to offering Offered Units to each prospective purchaser in the United States or who were, or were acting for the account or benefit of, U.S. Persons (each, a “**U.S. Offeree**”), we had reasonable grounds to believe and did believe that each U.S. Offeree was an “accredited investor” as defined in Rule 501(a) of Regulation D (“**U.S. Accredited Investor**”) under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and, on the date hereof, we continue to believe that each U.S. Offeree purchasing the Offered Units from the Company is a U.S. Accredited Investor;
 - (iv) in connection with each sale of Offered Units in the United States we caused each purchaser who is in the United States or is a U.S. Person to execute a Subscription Agreement, and we caused each such U.S. purchaser who is a U.S. Accredited Investor to complete a U.S. Accredited Investor Certificate in the form of Schedule “C” to the Subscription Agreement;
 - (v) no form of “general solicitation” or “general advertising” (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Offered Units in the United States; and
 - (vi) neither we nor any of our affiliates have taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act with respect to the offer or sale of the Offered Units.
-

Capitalized terms used in this certificate have the meanings given to them in the Agency Agreement, including Schedule "B" attached thereto, unless otherwise defined herein.

DATED this _____ day of _____, 2019.

M PARTNERS INC.

By: _____

Name: _____

Title:

PI FINANCIAL CORP.

By: _____

Name: _____

Title:

[U.S. SELLING GROUP MEMBER]

By: _____

Name: _____

Title:

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR APPLICABLE STATE SECURITIES LAWS, AND ARE PROPOSED TO BE ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. SUCH SECURITIES MAY NOT BE REOFFERED FOR SALE, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE U.S. SECURITIES ACT.

BODY AND MIND INC.

SUBSCRIPTION AGREEMENT
(for Canadian, United States and International Subscribers)

INSTRUCTIONS FOR SUBSCRIBERS

A completed and originally executed copy of this Subscription Agreement together with funds must be delivered or transmitted to M Partners Inc. by no later than 5:00 p.m. (Vancouver time) on May 6, 2019.

After reviewing the terms and conditions of this Subscription Agreement carefully, please sign **Page 3**, and complete all portions, including:

- (a) applicable boxes set out in **Page 3** (below);
- (b) if you are a Canadian resident, complete and sign **Schedule "B"** including, if applicable, **Appendix A** to **Schedule "B"**;
- (c) if you are a U.S. Person (as defined below), as a U.S. Accredited Investor, complete and sign **Schedule "C"** in accordance with the instructions set out therein; and
- (d) if a resident of a jurisdiction other than Canada or the United States, complete and sign:
 - (i) **Schedule "B"** including, if applicable, **Appendix A** to **Schedule "B"**; and
 - (ii) **Schedule "D"**.

UNIT SUBSCRIPTION AGREEMENT

TO: BODY AND MIND INC. (the “Company”)

AND TO: M PARTNERS INC. (the “Lead Agent”) and **PI FINANCIAL CORP.** (together with the Lead Agent, the “Agents”)

The undersigned (the “Purchaser”), on its own behalf, and, if applicable, on behalf of those for whom the undersigned is contracting hereunder, subject to the terms and conditions set forth in this Subscription Agreement (including all schedules hereto, this “**Subscription Agreement**”), agrees to purchase from the Company that number of units (the “Units”) of the Company set out on page 3 of this Subscription Agreement, upon and subject to the terms and conditions set out in this Subscription Agreement, at a price of CAD\$1.25 per Unit (the “**Subscription Price**”), each Unit consisting of one common share in the capital of the Company (a “**Unit Share**”) and one common share purchase warrant of the Company (a “**Warrant**”). The Purchaser understands that its investment in the Company is part of a larger offering by the Company of up to CAD\$10 million of Units. The Company has also granted the Agents the right to purchase up to an additional CAD\$10 million of Units for total gross proceeds of up to CAD\$20 million. The offer and sale by the Company of up to CAD\$20 million of Units is referred to herein as the “**Offering**”. Net proceeds of the Offering will be used for working capital purposes and general corporate purposes.

Each Warrant entitles the holder thereof to acquire one common share in the capital of the Company (a “**Warrant Share**”) for an exercise price of CAD\$1.50 (the “**Exercise Price**”) per Warrant Share for a period of 48 months following the Closing Date (subject to adjustment in certain customary events). The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be in form and substance satisfactory to the Company and the Agents.

The Unit Shares and the Warrants being issued and sold by the Company pursuant to the Offering are collectively referred to as the “**Offered Securities**”. Subject to fulfilling the requirements of the Exchange (as defined below), the Unit Shares and Warrant Shares will be listed on the Exchange. The Unit Shares, the Warrants and the Warrant Shares be referred to herein individually as a “**Security**” and collectively as the “**Securities**”.

The Purchaser agrees to be bound by the terms and conditions set forth in the attached **Schedule “A”**, and makes the acknowledgements, representations, warranties and set out in the applicable **Schedules** attached hereto, upon which the Purchaser acknowledges the Company and the Agents are relying in respect of this subscription. This subscription is subject to acceptance by the Company and may be accepted as to the number of the Units set out below or such lesser number as may be determined by the Company in its discretion.

In this Subscription Agreement, certain representations and warranties are to be made by the Purchaser so that the Company can ensure compliance with Applicable Securities Laws (as hereinafter defined). These representations and warranties are set out in Section 10 and 11 of **Schedule “A”**, and, if applicable, all of **Schedule “B”**, all of **Schedule “C”** and **Schedule “D”**, and all **Schedules** hereto are part of and are hereby incorporated as part of this Subscription Agreement. The Purchaser acknowledges its consent and request that this Subscription Agreement (including all **Schedules** hereto) and all other documents evidencing or relating in any way to its purchase of the Units be drawn up in the English language only. *Nous reconnaissons par les présentes avoir consenti et demandé à ce que la présente convention de souscription (et les annexes s’y rapportant) et tous les autres documents faisant foi ou se rapportant de quelque manière à notre souscription soient rédigés en anglais seulement.*

Please print all information (other than signatures), as applicable, in the spaces provided below.

(Name of Purchaser)

By: _____
Authorized Signature

(Official Capacity or Title – please print)

Please print name of individual whose signature appears above if different than the name of the subscriber printed above.

(Purchaser's Address, including Municipality and Province)

(Telephone Number)

(E-mail Address)

Account Registration Information:

(Name)

(Address)

Number of Units:

Subscription Price of Units:

\$ _____

If the person signing this Subscription Agreement is signing as agent for one or more beneficial purchasers and is not a trust company or a trust corporation acting on behalf of a fully managed account managed by it or a person acting on behalf of a fully managed account managed by it, you must complete the following and ensure that the attached schedules are completed on behalf of each beneficial purchaser.

(Name of Principal)

(Principal's address)

(Telephone Number)

(E-mail Address)

Delivery Instructions as set forth below:

(Name)

(Address)

(Telephone Number)

ACCEPTANCE

The foregoing is acknowledged, accepted and agreed to this ___ day of _____, 2019.

BODY AND MIND INC.

Per: _____
Authorized Signatory

SCHEDULE "A"
TERMS AND CONDITIONS OF SUBSCRIPTION

1. Offering and Subscription

The Purchaser hereby tenders to the Company this Subscription Agreement which, upon acceptance by the Company, will constitute an irrevocable agreement of the Purchaser to purchase from the Company, and of the Company to sell to the Purchaser, the Units as set out on the subscription page above at the Subscription Price, all on the terms and subject to the conditions set out in this Subscription Agreement.

These Units are being sold by the Company pursuant to the terms of an agency agreement (the "**Agency Agreement**") to be entered into on the Closing Date between the Company and the Agents. The Offering is being made by the Agents on a commercially reasonable best efforts private placement basis without underwriter liability.

Each Warrant entitles the holder thereof to acquire one Warrant Share for an exercise price of CAD\$1.50 per Warrant Share for a period of 48 months following the Closing Date (subject to adjustment in certain customary events). The Warrants comprising the Units shall be created and issued pursuant to a Warrant indenture to be entered into between the Company and the warrant agent and be dated the Closing Date.

The Closing of the Offering is subject to the Company's satisfaction, or the Lead Agent's waiver, of the following conditions precedent:

- (a) the Company and the Agents entering into the Agency Agreement in a form mutually satisfactory to the Company and the Agents, which Agency Agreement will include the terms and conditions provided herein, and industry standard covenants, representations and warranties to be given by the Company to the Agents, and provisions regarding legal opinions, indemnification, contribution, termination clauses and other relevant matters as the Agents may reasonably determine, and which Agency Agreement will also contain customary "disaster-out", "market-out", "material adverse change-out", "due diligence-out"; and
- (b) the Agents not having terminated the Offering pursuant to the terms and conditions of the engagement agreement made between the Company and the Lead Agent dated April 10, 2019.

2. Definitions

In this Subscription Agreement and the schedules to this Subscription Agreement, unless the context otherwise requires:

"**Agency Agreement**" has the meaning set forth in Section 1 hereof;

"**Agents**" means the M Partners Inc. and PI Financial Corp.;

"**Agents' Commission**" has the meaning set forth in Section 3 hereof;

"**Applicable Securities Laws**" means, collectively, the applicable securities laws of each of the Offering Jurisdictions and the respective regulations and rules made and forms prescribed thereunder together with all applicable and legally enforceable published policy statements, multilateral or national instruments, blanket orders, rulings and notices of the Securities Commissions;

“**Change of Control**” has the meaning set forth in the Term Sheet;

“**Closing Date**” means on or about May 10, 2019, or such other date or dates upon which the Company and the Agents may agree;

“**Closing Time**” means 9:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as the Company and the Agents may agree;

“**Company**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Compensation Warrants**” has the meaning set forth in Section 3 hereof;

“**Exchange**” means the Canadian Securities Exchange;

“**Exercise Price**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**herein**”, “**hereof**” and similar expressions mean and refer to this Subscription Agreement and not to a particular Article or Section, and the expression “**Article**” or “**Section**” followed by a number means and refers to the specified Article or Section of this Schedule “A” to the Subscription Agreement;

“**including**” means including without limitation;

“**International Jurisdiction**” has the meaning set forth in Section 11(b)(iii) hereof;

“**Lead Agent**” means M Partners Inc.;

“**Offered Securities**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Offering**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Offering Jurisdictions**” means all of the provinces and territories of Canada, to the extent that any Purchasers of Units are resident therein and otherwise in those jurisdictions where the Offering can lawfully be made;

“**PCMLTFA**” has the meaning set forth in Section 11(k) hereof;

“**Purchaser**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Regulation D**” means Regulation D promulgated under the U.S. Securities Act;

“**Regulation S**” means Regulation S promulgated under the U.S. Securities Act;

“**Securities Commissions**” means, collectively, the applicable securities commission or other securities regulatory authority in each of the Offering Jurisdictions;

“**Security**” or “**Securities**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Subscription Agreement**” means this Subscription Agreement (including any **Schedules** hereto) and any instrument amending this Subscription Agreement;

“**Subscription Price**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Unit Shares**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

“**Units**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**U.S. Accredited Investor**” means an “accredited investor” as defined by Rule 501(a) of Regulation D adopted pursuant to the U.S. Securities Act;

“**U.S. Person**” has the meaning set forth in Rule 902(k) of Regulation S under the U.S. Securities Act. Without limiting the foregoing, but for greater clarity in this Subscription Agreement, a U.S. Person includes, subject to the exclusions set forth in Regulation S: (a) any natural person resident in the United States; (b) any partnership, limited liability company or corporation organized or incorporated under the laws of the United States; (c) any estate or trust of which any executor, administrator or trustee is a U.S. Person; (d) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (e) any partnership or corporation organized or incorporated under the laws of any non-U.S. jurisdiction which is formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized or incorporated, and owned, by U.S. Accredited Investors who are not natural persons, estates or trusts;

“**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended;

“**Warrant**” has the meaning given thereto on page 2 of this Subscription Agreement;

“**Warrant Certificate**” mean the certificate representing the Warrants;

“**Warrant Indenture**” has the meaning given thereto on page 2 of this Subscription Agreement; and

“**Warrant Share**” has the meaning given thereto on page 2 of this Subscription Agreement.

3. Agents' Compensation

The Company will pay the Agents at the Closing Time a cash commission equal to 7.50% of the gross proceeds raised in the Offering (the “**Agents' Commission**”).

As additional consideration, the Company will issue the Agents such number of non-transferable compensation warrants (the “**Compensation Warrants**”) as is equal to 7.50% of the number of Units issued pursuant to the Offering.

Upon the execution of the Engagement Letter, the Company paid the Lead Agent a work fee of CAD\$60,000 plus HST.

Notwithstanding the above, the Company will retain the right to create a President's list of purchasers (the "**President's List**") for up to \$4 million of Units. At the Closing Time, the Company will pay to the Agents a cash commission equal to 1.0% of the gross proceeds raised from the President's List purchasers and will issue to the Agents that number of Compensation Warrants equal to 1.0% of the number of Units sold to purchasers on the President's List.

Each Compensation Warrant entitles the holder thereof to acquire one Unit for an exercise price of CAD\$1.25 per Unit for a period of four years following the Closing Date (subject to adjustment in certain customary events).

4. Expenses

The Company is also responsible for all reasonable expenses of the Offering, including but not limited to: (a) fees and disbursements of accountants and auditors, technical consultants, translators and other applicable experts; (b) all costs and expenses related to roadshows and marketing activities, printing, filing, issue, sale and distribution, stock exchange approval and other regulatory compliance; (c) other reasonable out-of-pocket expenses of the Agents (including, but not limited to, travel expenses in connection with due diligence and marketing activities, and fees and disbursements of the Agents' legal counsel (in Canada and in foreign jurisdictions, including the United States) and all taxes payable in respect of any of the foregoing); and (d) including any expenses incurred prior to the date first written above and all taxes payable in respect of any of the foregoing. All such fees, disbursements and expenses shall be payable by you immediately upon receiving an invoice therefor from the Lead Agent, or at the option thereof, may be deducted from the gross proceeds of the Offering otherwise payable by the Agents to the Company at the closing of the Offering. Notwithstanding the foregoing, the Agents' counsel's fees shall be capped at a maximum of CAD\$25,000 plus applicable disbursements and taxes.

The Purchaser will purchase and pay for the Purchaser's Units at the closing of the Offering, upon acceptance of this offer by the Company and the satisfaction by the Company, or waiver on behalf of the Purchaser by the Lead Agent, of the conditions set out in the Agency Agreement. The Purchaser acknowledges that the Agents retain the right to exercise or not to exercise, as it determines, in its sole discretion, the rights of termination as contained in the Agency Agreement, and the Agents will have no liability to the Purchaser whatsoever in connection with any such decision.

5. Delivery and Payment

The Purchaser agrees that the following must be delivered to the Agents in the manner specified by the Agents no later than 5:00 p.m. (Vancouver time) on May 6, 2019, or such other date or dates as the Company and the Agents may determine:

- (a) a duly-executed copy of this Subscription Agreement;
 - (b) a certified cheque, bank draft or payment by wire transfer for the aggregate Subscription Price of the Units made payable to the Agents or to such other party as the Agents may direct;
 - (c) if the Purchaser is a Canadian resident, the Accredited Investor Exemption Certificate, completed and duly signed in the form of **Schedule "B"** hereto (by completing the relevant certificate and initialing the category that applies to the Purchaser (or others on whose behalf the Purchaser is contracting hereunder));
-

- (d) if the Purchaser is a U.S. Person, or is not a U.S. Person but was offered the Units, or executed or delivered this Subscription Agreement, in the United States, or is purchasing the Units for the account or benefit of a U.S. Person or a person in the United States, or is otherwise subject to the securities laws of the United States, and both the Subscriber and the person for whose account or benefit the Subscriber is acting, if any, is a U.S. Accredited Investor, the Purchaser has duly completed, executed and delivered to the Agents the U.S. Accredited Investor Certificate, completed and duly signed in the form of **Schedule "C"** hereto (by completing the relevant certificate and initialing the category that applies to the Purchaser (or others on whose behalf the Purchaser is contracting hereunder));
- (e) if the Purchaser is a resident of an International Jurisdiction (as hereinafter defined), the Accredited Investor Exemption Certificate, completed and duly signed in the form of **Schedule "B"** hereto (by completing the relevant certificate and initialing the category that applies to the Purchaser (or others on whose behalf the Purchaser is contracting hereunder)), and the Offshore Purchaser Certificate, completed and duly signed in the form of **Schedule "D"** hereto; and
- (f) such other documents as may be required pursuant to terms of this Subscription Agreement.

6. Closing

- (a) Subject to the determination of the Company and the Agents, the transactions contemplated herein may close in one or more subsequent tranches after the initial Closing Date;
 - (b) This subscription is subject to acceptance by the Company. Unless other arrangements have been made with the Company, at the Closing Time, the Unit Share Certificate and the Warrant Certificate will be delivered to the address set out for delivery on the face pages of this Subscription Agreement promptly thereafter; and
 - (c) The Company's obligation to complete the purchase and sale of the Units is subject to the following conditions:
 - (i) the Purchaser will have complied with the requirements of Section 5 hereof and the applicable documents and payment will have been received as contemplated;
 - (ii) the representations and warranties made by the Purchaser in this Subscription Agreement are true and correct as of the date when made, as of the Closing Time, as though made at that time (except for representations and warranties that speak as of a specific date) and all undertakings of the Purchaser have been performed, satisfied and complied with on or before the Closing Time; and
 - (iii) receipt of such other documents relating to the transactions contemplated by this Subscription Agreement as the Company or its counsel may reasonably request.
-

7. Power of Attorney

The Agents are hereby appointed as the Purchaser's agents and attorneys to represent the Purchaser, and any beneficial purchaser for whom the Purchaser is contracting hereunder, at the closing of the Offering for the purpose of all closing matters, deliveries of documents, receipt of the Unit Share Certificate, the Warrant Certificate or other evidence of ownership of the Purchaser's Unit Shares and Warrants and is hereby irrevocably authorized by the Purchaser for and on behalf of the Purchaser, and any beneficial purchaser for whom the Purchaser is acting as agent or trustee, to extend such time periods and modify or waive such conditions as may be contemplated herein or in the Agency Agreement or, in their absolute discretion, as they deem appropriate. Without limiting the generality of the foregoing, the Agents are specifically and irrevocably authorized to:

- (a) waive any representations and warranties, covenants or conditions contained in the Agency Agreement;
- (b) correct minor errors or omissions in the information provided by the Purchaser in this Subscription Agreement, including any **Schedules** hereto, and any other documents or forms delivered by the Purchaser in connection with the transactions contemplated hereby, if any;
- (c) negotiate and settle the form of the Warrant Indenture and Warrant Certificate and any other certificates to be delivered and any agreement to be entered into in connection with the Offering and to vary, amend, alter or waive, on its own behalf and on behalf of the Purchaser, in whole or in part, or extend the time for compliance with, any of the conditions, representations, warranties or covenants in the Warrant Indenture and the Warrant Certificate in such manner and on such terms and conditions as the Agents may determine, acting reasonably, without in any way affecting the Purchaser's obligations or the obligations of such others hereunder; provided, however, that the Agents will not vary, amend, alter or waive any such condition, representation, warranty or covenant where to do so would result in a material change to any of the material attributes of the Unit Shares or the Warrants or contents thereof;
- (d) allocate the Unit Shares and Warrants being offered pursuant to the Offering and in accordance with the terms of the Agency Agreement; and
- (e) act as its representative at the closing of the Offering with full power of substitution, as its true and lawful attorney and agent with the full power and authority in its place and stead to swear, execute, file and record any document necessary, to approve any opinions, certificates or other documents addressed to the Purchaser, to accept delivery of the Unit Share Certificate and the Warrant Certificate on the closing of the Offering, to terminate this subscription on its behalf in the event that any condition precedent to the Offering has not been satisfied, to execute a receipt for such certificates and all other documentation, and to deliver such certificates to the Purchaser as set out in this Subscription Agreement promptly after the Closing Time.

8. Acceptance of Subscription

This subscription may be accepted in whole or in part and the right is reserved to the Company to allot to any subscriber less than the aggregate Subscription Price subscribed for by the Purchaser. Confirmation of acceptance or rejection of this subscription will be forwarded to the Purchaser promptly after the acceptance or rejection of this subscription by the Company. If this subscription is rejected in whole, the Purchaser understands that any certified cheques or bank drafts delivered by the Purchaser to the Company representing the purchase price for the Units will be promptly returned to the Purchaser without interest. If this subscription is accepted only in part, the Purchaser understands that a cheque representing the portion of the purchase price for that portion of the Purchaser's subscription for Units which is not accepted will be promptly delivered to the Purchaser, without interest.

9. Acknowledgements of ALL Purchasers

The Purchaser acknowledges and agrees, on his, her or its own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, that:

- (a) the sale of the Units to the Purchaser, or (if applicable) to such others for whom the Purchaser is contracting hereunder is conditional upon:
 - (i) such sale being exempt from the prospectus filing requirements of all applicable securities legislation relating to such sale or upon the issuance of such rulings, orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus;
 - (ii) no agency, governmental authority, regulatory body, stock exchange or other entity having made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Offered Securities or the underlying Warrant Shares;
 - (iii) other than the investor presentation of the Company dated April 2019, the Purchaser having not received, nor requested, any prospectus, sales or advertising literature, offering memorandum or any other document describing the business and affairs of the Company, which has been prepared for delivery to, and review by, prospective purchasers in order to assist them in making an investment decision in respect of the Units, and the Purchaser not having become aware of any advertisement in printed public media, radio, television or telecommunications, including electronic display such as the internet, with respect to the distribution of the Securities;
 - (iv) no prospectus or registration statement having been filed by the Company with a Securities Commission or other securities regulatory authority in any province of Canada or any other jurisdiction in connection with the issuance of the Units and such issuances are exempt from the prospectus or registration requirements otherwise applicable under the provisions of Canadian and United States securities laws and, as a result, in connection with the purchase of Units hereunder:
 - (1) the Purchaser, and (if applicable) others for whom the Purchaser is contracting hereunder, are restricted from using most of the civil remedies available under Applicable Securities Laws;
 - (2) the Purchaser, and (if applicable) others for whom the Purchaser is contracting hereunder, will not receive information that would otherwise be required to be provided to the Purchaser under Applicable Securities Laws or contained in a prospectus prepared in accordance with Applicable Securities Laws; and
 - (3) the Company is relieved from certain obligations that would otherwise apply under such Applicable Securities Laws;
-

- (v) the Securities will be issued pursuant to prospectus exemptions under National Instrument 45-106 - *Prospectus Exemptions* in all provinces and territories of Canada, and similar exemptions under other Applicable Securities Laws, as mutually agreed upon between the Company and the Agents, on a private placement or equivalent basis in accordance with applicable laws; provided, however, that such laws permit offers and sales of the Securities on a private placement basis and without any obligation on the part of the Company to prepare or file any registration statement, prospectus or other disclosure document and without triggering any disclosure obligations or submission to the jurisdiction on the part of the Company;
- (vi) (1) the certificates representing the Offered Securities, and the certificates representing the Warrant Shares if issued prior to four months after the Closing Date, will bear a legend in substantially the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE].”

(2) if the Purchaser is a U.S. Person or purchasing the Units for the account or benefit of a U.S. Person or a person in the United States, then the Purchaser also acknowledges and understands that the certificates representing the Securities will be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner in the United States:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE [for warrants add: AND THE SECURITIES ISSUABLE HEREUNDER] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.”

(3) if the Purchaser is outside of the United States and is not (A) a U.S. Person, or (B) purchasing the Units for the account or benefit of a U.S. Person or a person in the United States, then the Purchaser also acknowledges and understands that the certificates representing the Securities will be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE [for warrants add: AND THE SECURITIES ISSUABLE HEREUNDER] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES REPRESENTED BY THE CERTIFICATE CANNOT BE THE SUBJECT OF HEDGING TRANSACTIONS UNLESS SUCH TRANSACTIONS ARE CONDUCTED IN COMPLIANCE WITH THE U.S. SECURITIES ACT.”

provided, however, in either (2) or (3) above, if any Securities are being sold, the legend may be removed by delivery to the registrar and transfer agent and the Company of an opinion of counsel, of recognized standing reasonably satisfactory to the Company, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

(4) the Purchaser understands and acknowledges that in addition to the legends set forth above, the certificates representing the Warrants will also bear a legend in substantially the following form:

“THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON OR A PERSON IN THE UNITED STATES UNLESS THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED BY REGULATIONS UNDER THE U.S. SECURITIES ACT.”;

- (b) The Securities have not been and will not be registered under the U.S. Securities Act, or any state securities laws and accordingly, the Offered Securities are “restricted securities” within the meaning of Rule 144(a)(3) of the U.S. Securities Act;
- (c) the Purchaser’s ability to transfer the Securities is limited by, among other things, the Applicable Securities Laws. The Securities will be subject to statutory resale restrictions under the Applicable Securities Laws, and the Purchaser covenants that it will not resell the Securities except in compliance with such laws and the Purchaser acknowledges that it is solely responsible (and the Company is not in any way responsible) for such compliance.

The Purchaser acknowledges that the Securities have not been registered under the U.S. Securities Act and the Company has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the Securities. The Purchaser agrees to resell the Securities only in accordance with the provisions of Applicable Securities Laws pursuant to a registration under the U.S. Securities Act, or pursuant to an available exemption from such registration (in particular the provisions of Regulation S or Rule 144, as applicable), and that hedging transactions involving the Securities may not be conducted unless in compliance with the U.S. Securities Act. The Purchaser understands that any certificate representing the Securities will bear a legend setting forth the foregoing restrictions in (a)(vi) above. The Purchaser understands that the Securities are “restricted securities” within the meaning of Rule 144 promulgated under the U.S. Securities Act, that the exemption from registration under Rule 144 will not be available in any event for at least six months from the Closing Date for the Offered Securities and other terms and conditions of Rule 144 are complied with.

The Purchaser further acknowledges and understands that the Purchaser agrees that the Purchaser shall in no event make any disposition of all or any portion of the Securities which the Purchaser is acquiring hereunder unless and until:

- (i) there is then in effect a "Registration Statement" under the U.S. Securities Act covering such proposed disposition and such disposition is made in accordance with said Registration Statement; or
 - (ii) (A) the Purchaser shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, (B) the Purchaser shall have furnished the Company with an opinion of the Purchaser's own counsel to the effect that such disposition will not require registration of any such Securities under the U.S. Securities Act and (C) such opinion of the Purchaser's counsel shall have been concurred in by counsel for the Company and the Company shall have advised the Purchaser of such concurrence.
- (d) that the Purchaser consents to the Company making a notation on its records and/or giving instruction to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described herein;
 - (e) all costs and expenses incurred by the Purchaser and each beneficial purchaser, if any, for whom the Purchaser is contracting hereunder, (including any fees and disbursements of legal counsel retained by the Purchaser or any beneficial purchaser) relating to the purchase of the Purchaser's Units will be borne solely by the Purchaser or the beneficial purchaser;
 - (f) the Purchaser, on his or her own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, agree to provide the Company with such information and documents, including certificates, statutory declarations and undertakings, as they may reasonably require from time to time to comply with any filing or other requirements under Applicable Securities Laws;
 - (g) the Agents will be paid the Agents' Commission as described herein;
 - (h) the Purchaser is solely responsible for obtaining such tax, investment, legal and other professional advice as it considers appropriate in connection with the offer, sale and issuance of the Purchaser's Securities, the execution, delivery and performance by it of this Subscription Agreement, applicable tax considerations and the applicable hold periods and resale restrictions imposed in respect of the Purchaser's Securities by applicable securities legislation and regulatory policies, and confirms that it (and any disclosed principal, if applicable) is not relying on the Company, the Agents and their affiliates or counsel to any of them in this regard. The Purchaser is solely responsible for compliance with applicable resale restrictions and applicable tax legislation;
 - (i) the Agents are acting solely as placement agent for the Company in connection with the Offering and not as financial advisor or investment advisor to the Purchaser or as an agent of the Purchaser;
-

- (j) the Purchaser, and each beneficial purchaser, if any, for whom the Purchaser is contracting hereunder, has had the opportunity to review this Subscription Agreement and the **Schedules** attached hereto and the transactions contemplated by this Subscription Agreement and fully understands the same;
- (k) the Purchaser, and each beneficial purchaser, if any, for whom the Purchaser is contracting hereunder, has had the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and it has had access to such information concerning the Company as it has considered necessary or appropriate in connection with its investment decision to acquire the Units; and
- (l) the Purchaser understands and agrees that there may be material tax consequences to the Purchaser of an acquisition or disposition of the Securities. The Company gives no opinion and makes no representation with respect to the tax consequences to the Purchaser under United States, state, local or foreign tax law of the undersigned's acquisition or disposition of such securities. In particular, no determination has been made whether the Company will be a "passive foreign investment company" ("PFIC") within the meaning of Section 1291 of the *United States Internal Revenue Code*.

10. Representations, Warranties, Covenants and Acknowledgements of Purchasers who are U.S. Persons or who are in the United States

The Purchaser, which is a U.S. Person, or is not a U.S. Person but was offered the Units, or executed or delivered this Subscription Agreement, in the United States, or is purchasing the Units for the account or benefit of a U.S. Person or a person in the United States, or is otherwise subject to the securities laws of the United States, on its own behalf and, if applicable, on behalf of others for whom it is acting hereunder, hereby represents and warrants to, and covenants with, the Company and the Agents as follows and acknowledges that the Company and the Agents are relying on such representations and warranties and covenants in connection with the transactions contemplated herein:

- (a) that the Purchaser is a U.S. Accredited Investor and is acquiring the Units for its own account or for the account of another U.S. Accredited Investor over which the Purchaser exercises sole investment direction and not with a view to resale for distribution of the Offered Securities or the Warrant Shares in violation of United States securities laws; and the Purchaser certifies that it is a resident in the jurisdiction set out on page 3 of this Subscription Agreement and that the investment decision with respect to the Units was made in such jurisdiction, and that such address was not created and is not used solely for the purpose of acquiring the Units and the Purchaser was solicited to purchase in such jurisdiction;
 - (b) that, in the event that the Purchaser requests that the certificates representing the Unit Shares or the Warrants be registered and/or delivered in the name of someone with an address in a state other than the state of its residence as set out on page 3 of this Subscription Agreement, it has done so only for safekeeping or as a bare trusteeship with respect to such certificate in accordance with its normal business practice;
 - (c) that the subscription for the Offered Securities has not been made through or as a result of any form of "directed selling efforts" (as such term is used in Regulation S under the U.S. Securities Act) or general solicitation or general advertising (as such terms are used in Rule 502(c) of Regulation D under the U.S. Securities Act), including by any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over radio, television or telecommunications, including electronic display and the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
-

- (d) the Warrants may not be exercised by or on behalf of a U.S. Person or a person in the United States unless an exemption is available from the registration requirements of the U.S. Securities Act and the securities laws of all applicable states, and the holder has furnished an opinion of counsel satisfactory to the Company to such effect; provided, however, that, a holder that is an original Purchaser hereunder will not be required to deliver an opinion of counsel in connection with its due exercise of the Warrants, for its own account or for the account of the original beneficial purchaser, if any, at a time when such holder and such original beneficial purchaser thereof, if any, are U.S. Accredited Investors;
 - (e) that the Purchaser agrees to indemnify and hold harmless the Company and the Agents and each of their respective officers, directors, employees and agents from and against any and all costs, liabilities and expenses, including attorneys' fees, arising out of or related in any way to any breach of any confirmation, representation, warranty or undertaking of the Purchaser contained in this Subscription Agreement;
 - (f) that neither the Offered Securities nor the Warrant Shares have been or will be registered under the U.S. Securities Act or any applicable state securities laws, the offer and sale are being made in reliance on a private placement exemption provided by Rule 506(b) of Regulation D under the U.S. Securities Act to investors who are U.S. Accredited Investors, and the Offered Securities and the Warrant Shares may be offered, sold, or otherwise transferred only: (A) to the Company; (B) pursuant to an effective registration statement under the U.S. Securities Act; (C) in accordance with Rule 144 under the U.S. Securities Act, if available, and in compliance with applicable state securities laws; (D) in accordance with the provisions of Regulation S, if available; or (E) in a transaction that does not otherwise require registration under the U.S. Securities Act or any applicable state securities laws if an opinion of counsel, of recognized standing reasonably satisfactory to the Company, has been provided to the Company to that effect. The Purchaser understands that the Company has no present intention to register the Offered Securities or the Warrant Shares pursuant to the U.S. Securities Act. The Purchaser further understands that there is no assurance that any exemption from registration under the U.S. Securities Act will be available and that, even if available, such exemption may not allow the Purchaser to transfer all or any portion of the Offered Securities or the Warrant Shares under the circumstances, in the amounts or at the times that the Purchaser may propose;
 - (g) that the Purchaser understands that the Company may instruct its registrar and transfer agent not to record any transfer of the Offered Securities or the Warrant Shares without first being notified by the Company that it is satisfied that such transfer is exempt from, or not subject to, the registration requirements of, the U.S. Securities Act and applicable state securities laws;
 - (h) that the Purchaser understands and acknowledges that the Company has no obligation to file, or present intention of filing, with the United States Securities and Exchange Commission or with any state securities administrator, any registration statement in respect of resales of the Securities in the United States; and
-

- (i) that the Purchaser understands and agrees that there may be material tax consequences to the Purchaser of an acquisition, disposition, exercise or conversion of any of the Offered Securities and the Warrant Shares, and that the Company gives no opinion and makes no representation with respect to the tax consequences to the Purchaser under United States, state, local or foreign tax law of the Purchaser's acquisition, holding or disposition of such securities, and the Subscriber acknowledges that it is solely responsible for determining the tax consequences of its investment.

11. Representations, Warranties, Covenants and Acknowledgement of ALL Purchasers

The Purchaser, on his, her or its own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, acknowledges, represents, warrants and covenants to and with the Company and the Agents (and acknowledges that the Company and the Agents are relying thereon) as follows:

- (a) *Jurisdiction of Residence* – the Purchaser, on his or her own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, is resident or otherwise subject to the applicable securities legislation in the jurisdiction set out as the Purchaser's address on page 3 of this Subscription Agreement, and the purchase by and sale to the Purchaser, and any such others, of the Units has occurred only in such jurisdiction;
 - (b) *Prospectus Exempt Purchaser* –
 - (i) *Canadian Purchaser* - Unless exempted by an order of the Securities Commission or similar regulatory authority of the province in which it resides, the Purchaser is an "accredited investor", as such term is defined in National Instrument 45-106 - *Prospectus Exemptions* and has concurrently executed and completed the Accredited Investor Exemption Certificate at **Schedule "B"** to this Subscription Agreement, along with Appendix A to **Schedule "B"** if the Purchaser is an individual;
 - (ii) *United States Purchaser* - If the Purchaser is a U.S. Person, or is not a U.S. Person but was offered the Units, or executed or delivered this Subscription Agreement, in the United States, or is purchasing the Units for the account or benefit of a U.S. Person or a person in the United States, or is otherwise subject to the securities laws of the United States, and both the Subscriber and the person for whose account or benefit the Subscriber is acting, if any, the Purchaser is a U.S. Accredited Investor and has concurrently executed and completed the U.S. Accredited Investor Certificate in the form of **Schedule "C"** hereto (by completing the relevant certificate and initialing the category that applies to the Purchaser (or others on whose behalf the Purchaser is contracting hereunder)); or
 - (iii) *International Jurisdiction Purchaser* - If the Purchaser is a resident of a jurisdiction outside of Canada and the United States (an "**International Jurisdiction**"), the Purchaser is an "accredited investor", as such term is defined in National Instrument 45-106 - *Prospectus Exemptions* and has concurrently executed and completed the Accredited Investor Exemption Certificate at **Schedule "B"** to this Subscription Agreement, along with Appendix A to **Schedule "B"** if the Purchaser is an individual, and the Purchaser has concurrently executed and completed the Offshore Purchaser Certificate at **Schedule "D"** and, in addition to the other representations and warranties contained herein, the Purchaser represents and warrants that the subscription for the Units by the Purchaser is being made pursuant to exemptions under, and does not contravene any of the applicable securities legislation in that International Jurisdiction and does not give rise to any obligation of the Company to prepare and file a prospectus or similar document or to register the Units or Warrant Shares, or to be registered with or to file any report or notice with any governmental or regulatory authority of any kind whatsoever in that International Jurisdiction;
-

- (c) *Due Execution and Delivery* – the Purchaser, on his, her or its own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, is responsible for obtaining such legal advice as the Purchaser considers necessary in connection with the execution, delivery and performance by the Purchaser of this Subscription Agreement and the transactions contemplated herein and the Purchaser represents and warrants that such execution, delivery and performance will not contravene any applicable laws of the jurisdiction in which the Purchaser is resident;
 - (d) *Independent Tax Advice* – the Purchaser, on his, her or its own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, is solely responsible for obtaining such advice concerning the tax consequences of the Purchaser’s investment in the Units and the Purchaser is not relying on the Company for advice concerning such tax consequences;
 - (e) *Agents Purchasing for Principal(s)* – if the Purchaser is contracting hereunder as agent for one or more other purchasers: (i) each such other purchaser is purchasing as principal for its own account and not for the benefit of any other person; and (ii) each of such principals can, and does, make the representations, warranties and covenants set out in **Schedule “B”**, **Schedule “C”**, and/or **Schedule “D”**, as applicable, to this Subscription Agreement as are applicable to such principal by virtue of its jurisdiction of residence or by virtue of being subject to the applicable securities legislation of such jurisdiction;
 - (f) *Capacity* – if the Purchaser, or any other purchaser for whom the Purchaser is contracting hereunder: (i) is an individual, the Purchaser, or such other purchaser as the case may be, has attained the age of majority and is legally competent to execute this Subscription Agreement and to perform all actions required pursuant hereto; or (ii) is a corporation, partnership, unincorporated association or other entity, the Purchaser, or such other purchaser, as the case may be, has the legal capacity and competence to enter into and be bound by this Subscription Agreement and the Purchaser further certifies that all necessary approvals of directors, shareholders or otherwise have been given and obtained;
 - (g) *Authority* – (i) if the Purchaser is contracting hereunder as agent for one or more other purchasers, the Purchaser is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription on behalf of each such principal and this Subscription Agreement has been duly authorized, executed and delivered by the Purchaser on behalf of each such principal; and (ii) the entering into of this Subscription Agreement and the completion of the transactions contemplated herein will not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Purchaser or of any other purchaser for whom the Purchaser is contracting hereunder or of any agreement, written or oral, to which the Purchaser or any other purchaser for whom the Purchaser is contracting hereunder is a party or by which the Purchaser or such other purchasers are bound;
-

- (h) *Enforceability* – this Subscription Agreement has been duly and validly authorized, executed and delivered by the Purchaser and, upon acceptance by the Company this Subscription Agreement will constitute a legal, valid and binding contract of the Purchaser, and (if applicable) the other purchasers for whom the Purchaser is contracting hereunder, enforceable against the Purchaser, and (if applicable) such other purchasers, in accordance with its terms;
 - (i) *No Representation Re Resale, Refund, Future Price or Listing* – no person has made any written or oral representation to the Purchaser:
 - (i) that any person will resell or repurchase the Offered Securities or the Warrant Shares;
 - (ii) that any person will refund the purchase price of the Units or the Warrant Shares; or
 - (iii) relating to the future price or value of the Offered Securities or the Warrant Shares;
 - (j) *Investment Experience* – the Purchaser, or (if applicable) all other purchasers for whom the Purchaser is contracting hereunder, have knowledge and experience with respect to investments of this type enabling the Purchaser, or (if applicable) such other purchasers, to evaluate the merits and risks thereof and the capacity to obtain competent independent business, legal and tax advice regarding this investment;
 - (k) *Subscription Funds* – none of the funds the Purchaser is using to purchase the Units are, to the knowledge of the Purchaser, proceeds obtained or derived, directly or indirectly, as a result of illegal activities. The funds the Purchaser is using to purchase the Units which will be advanced by the Purchaser to the Company hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (for the purposes of this paragraph the “**PCMLTFA**”) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (United States) (commonly referred to as the “**USA PATRIOT Act**”) or similar legislation and the Purchaser acknowledges that the Company may in the future be required by law to disclose the name of the Purchaser and other information relating to this Subscription Agreement and the subscription hereunder, on a confidential basis, pursuant to the PCMLTFA, USA Patriot Act or similar legislation. To the best of the Purchaser’s knowledge: (i) none of the subscription funds provided by the Purchaser: (1) have been or will be derived directly or indirectly from or related to any activity that is deemed criminal under the laws of Canada, the United States of America, or any other jurisdiction; or (2) are being tendered on behalf of a person or entity who has not been identified to the Company; and (ii) the Purchaser will promptly notify the Company if the Purchaser discovers that any of such representations cease to be true, and to provide the Company with appropriate information in connection therewith;
-

- (l) *Resale Restrictions* - the Purchaser, and each beneficial purchaser, if any, for whom it is contracting hereunder, has been advised to consult their own legal advisors with respect to trading in the Offered Securities and the Warrant Shares and with respect to the resale restrictions imposed by the Applicable Securities Laws of the jurisdiction in which the Purchaser, or beneficial purchaser, if any, for whom it is contracting hereunder, resides and all other Applicable Securities Laws, and acknowledges that no representation has been made respecting the applicable hold periods imposed by the Applicable Securities Laws or other resale restrictions applicable to such securities which restrict the ability of the Purchaser, or beneficial purchaser, if any, for whom it is acting as trustee or agent, to resell such securities, that the Purchaser, or beneficial purchaser, if any, for whom it is contracting hereunder, is solely responsible to find out what these restrictions are and the Purchaser, or beneficial purchaser, if any, for whom it is contracting hereunder, is solely responsible (and the Company and the Agents are not in any way responsible) for compliance with applicable resale restrictions and the Purchaser is aware that it (or any beneficial purchaser for whom it is contracting hereunder) may not be able to resell such securities except in accordance with limited exemptions under the Applicable Securities Laws. The certificates evidencing the Securities may bear legends denoting such restrictions;
 - (m) *Not an Insider* - the purchase of the Purchaser's Units hereunder is not a transaction in which any shareholder of the Company, or any beneficial owner of securities carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Company, has a direct or indirect beneficial interest, unless the Purchaser has otherwise notified the Company and the Agents;
 - (n) *No Finder's Fees* - other than the Agents, there is no person acting or purporting to act in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee. If any person establishes a claim that any fee or other compensation is payable in connection with this subscription for the Purchaser's Units, the Purchaser covenants to indemnify and hold harmless the Company and the Agents with respect thereto and with respect to all costs reasonably incurred in the defence thereof;
 - (o) *Investment Purposes* - the Purchaser, and each beneficial purchaser, if any, for whom the Purchaser is contracting hereunder, is purchasing the Units for investment purposes only and not with a view to resale or distribution that would or may contravene the prospectus or other requirements of Applicable Securities Laws;
 - (p) *Knowledge of Material Fact or Change* - the Purchaser, and each beneficial purchaser, if any, for whom it is contracting hereunder, has no knowledge of a material fact or material change in respect of the affairs of the Company that has not been generally disclosed to the public;
 - (q) *Purchaser is a Non-U.S. Person* - If the Purchaser is a non-U.S. Person:
 - (i) it understands that the Company is the seller of the Offered Securities and that, for purposes of Regulation S, a "distributor" is any underwriter, dealer or other person who participates, pursuant to a contractual arrangement, in the distribution of securities offered or sold in reliance on Regulation S and that an "affiliate" is any partner, officer, director or any person directly or indirectly controlling, controlled by or under common control with any person in question; except as otherwise permitted by Regulation S, the Purchaser agrees that it will not, during a six-month distribution compliance period, act as a distributor, either directly or through any affiliate, or sell, transfer, hypothecate or otherwise convey the Offered Securities or the Warrant Shares other than to or for the account or benefit of a non-U.S. Person;
-

- (ii) in the event the Offered Securities or the Warrant Shares are offered, sold or otherwise transferred by the Purchaser to or for the account or benefit of a non-U.S. person, unless pursuant to an effective registration statement under the U.S. Securities Act, prior to the expiration of a six-month distribution compliance period prescribed in Regulation S, the purchaser or transferee must agree not to resell such securities except in accordance with the provisions of Regulation S, pursuant to registration under the U.S. Securities Act, or pursuant to an available exemption from registration; and must further agree not to engage in hedging transactions with regard to such securities unless in compliance with the U.S. Securities Act;
 - (iii) it will not acquire the Offered Securities as a result of, and neither the Purchaser nor its affiliates will engage in, any “directed selling efforts” (as defined in Regulation S) in the United States in respect of the Offered Securities or the Warrant Shares which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Offered Securities or the Warrant Shares; and
 - (iv) at the time the buy order for the Offered Securities was originated, the Subscriber was outside the United States and this Subscription Agreement was not executed or delivered in the United States;
 - (r) *Insurance* – There is no government or other insurance covering the Offered Securities.
 - (s) *Personal Information - Federal* - the Purchaser, on his, her or its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder, acknowledges and consents to the fact that the Company is collecting the Purchaser’s personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), and, if applicable, that of each beneficial purchaser for whom the Purchaser is contracting hereunder, for the purpose of completing this Subscription Agreement. The Purchaser, on his, her or its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder, acknowledges and consents to the Company retaining such personal information for as long as permitted or required by law or business practices. The Purchaser, on his, her or its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder, further acknowledges and consents to the fact that the Company may be required by the Applicable Securities Laws or the rules and policies of any stock exchange to provide regulatory authorities with any personal information provided under this Subscription Agreement. The Purchaser represents and warrants, as applicable, that he, she or it has the authority to provide the consents and acknowledgements set out in this paragraph on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder. In addition to the foregoing, the Purchaser agrees and acknowledges that the Company may use and disclose the Purchaser’s personal information, or that of each beneficial purchaser for whom the Purchaser is contracting hereunder, as follows:
 - (i) for internal use with respect to managing the relationships between and contractual obligations of the Company and the Purchaser or any beneficial purchaser for whom the Purchaser is contracting hereunder;
-

- (ii) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
 - (iii) for disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trades and similar regulatory filings;
 - (iv) for disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
 - (v) for disclosure to professional advisers of the Company in connection with the performance of their professional services;
 - (vi) for disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with the Purchaser's prior written consent;
 - (vii) for disclosure to a court determining the rights of the parties under this Subscription Agreement; or
 - (viii) for use and disclosure as otherwise required or permitted by law; and
- (t) *Personal Information – Provincial* - The information provided by the Purchaser on page 3 of this Subscription Agreement identifying the name, address and telephone number of the Purchaser, the number of Units being purchased hereunder and the total Subscription Price, as well as the Closing Date and the exemption that the Purchaser is relying on in purchasing the Units will be disclosed to the Securities Commission in the Province of residence for the Purchaser, and such information is being indirectly collected by such Securities Commission under the authority granted to it under Applicable Securities Laws. This information is being collected for the purposes of the administration and enforcement of the Applicable Securities Laws in such Provinces. Each Purchaser hereby authorizes the indirect collection of such information by such Securities Commission. In the event the Purchaser has any questions with respect to the indirect collection of such information by such securities regulators, the Purchaser should contact the relevant Securities Commission at:

Alberta Securities Commission

Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) 297-2082

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) 899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: (604) 899-6581
Email: inquiries@bcsc.bc.ca

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2548
Toll free in Manitoba 1-800-655-5244
Facsimile: (204) 945-0330

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6590
Facsimile: (867) 975-6594

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593- 8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information: Inquiries Officer

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) 658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) 658-3059
Email: info@fcnb.ca

**Government of Newfoundland and Labrador
Financial Services Regulation Division**

P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

**Government of the Northwest Territories
Office of the Superintendent of Securities**

P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Attention: Deputy Superintendent, Legal & Enforcement
Telephone: (867) 920-8984
Facsimile: (867) 873-0243

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337 or 1-877-525-0337
Facsimile: (514) 873-6155 (For filing purposes only)
Facsimile: (514) 864-6381 (For privacy requests only)
Email: financementdessocietes@lautorite.qc.ca
(For corporate finance issuers); fonds_dinvestissement@lautorite.qc.ca
(For investment fund issuers)

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

Government of Yukon

Department of Community Services
Law Centre, 3rd Floor
2130 Second Avenue
Whitehorse, Yukon Y1A 5H6
Telephone: (867) 667-5314
Facsimile: (867) 393-6251

The Purchaser acknowledges that the foregoing representations and warranties are made by the Purchaser with the intent that they may be relied upon by the Company and the Agents in determining the Purchaser's eligibility, or (if applicable) the eligibility of others on whose behalf the Purchaser is contracting hereunder, to purchase the Units under relevant securities legislation and the Purchaser hereby agrees to indemnify the Company and the Agents against all losses, claims, costs, expenses and damages and other liabilities which the Company or the Agents may suffer or incur as the result of or arising from the reliance by the Company or the Agents on any such representation or warranty. Such representations, warranties and covenants will survive the Closing and continue in full force and effect for the benefit of the Company and the Agents in accordance with the terms of the Agency Agreement.

12. Representations, Warranties and Covenants of the Company

By accepting this Subscription Agreement, the Company agrees that the Purchaser will have the benefit of all the representations, warranties and covenants given by the Company in the Agency Agreement and further agrees that all such representations, warranties and covenants will be deemed to be incorporated herein as if they were reproduced in their entirety, with such changes as are necessary in order to reflect that such representations, warranties and covenants are being made by the Company to the Purchaser, to the extent that such representations, warranties and covenants are not amended or waived by the Agents, and such representations, warranties and covenants will survive the Closing and continue in full force and effect for the benefit of the Purchaser in accordance with the terms of the Agency Agreement.

13. Governing Law

This Subscription Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, without regard to conflict of laws rules. The Purchaser, on his or her own behalf and (if applicable) on behalf of others for whom the Purchaser is contracting hereunder, hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of British Columbia with respect to any matters arising out of this Subscription Agreement.

14. Assignment

This Subscription Agreement is not transferable or assignable, in whole or in part, by the Purchaser or (if applicable) by others on whose behalf the Purchaser is contracting hereunder.

15. Currency

All dollar amounts referred to in this Subscription Agreement and the Schedules thereto are expressed in Canadian funds unless otherwise specified.

16. Enurement

This Subscription Agreement will be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

17. Entire Agreement and Headings

This Subscription Agreement (including the Schedules hereto) contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein. This Subscription Agreement may be amended or modified in any respect by written instrument only. The headings contained herein are for convenience only and will not affect the meanings or interpretation hereof.

18. Time of Essence

Time will be of the essence of this Subscription Agreement.

19. Counterparts and Facsimile Deliveries

This Subscription Agreement may be executed in one or more counterparts, each of which counterparts when executed will constitute an original and all of which counterparts so executed will constitute one and the same instrument. The Company and the Agents will be entitled to rely on delivery of an electronic or facsimile copy of this Subscription Agreement, including the completed Schedules attached hereto, and acceptance by the Company and the Agents of any such electronic or facsimile copy will be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.

SCHEDULE "B"

ACCREDITED INVESTOR EXEMPTION CERTIFICATE

This is Schedule "B" to the Subscription Agreement relating to the purchase Units of Body and Mind Inc. (the "Company"). Capitalized terms used but not defined in this schedule are intended to have the meanings given thereto, as applicable, in the Subscription Agreement.

TO: BODY AND MIND INC.

AND TO: M PARTNERS INC. (the "Lead Agent") and **PI FINANCIAL CORP.** (together with the Lead Agent, the "Agents")

Reference is made to the Subscription Agreement between the Company and the undersigned (referred to herein as the "Purchaser") dated as of the date hereof (the "Subscription Agreement"). Upon execution of this certificate (the "Purchaser Certificate") by the Purchaser, this Purchaser Certificate will be incorporated into and form a part of the Subscription Agreement.

Terms not otherwise defined herein or in the Subscription Agreement have the meanings attributed to them in National Instrument 45-106 – Prospectus Exemptions ("NI 45-106") promulgated under Applicable Securities Laws. All monetary references are in Canadian dollars.

In connection with the purchase of the Units of the Company by the Purchaser, the Purchaser represents, warrants and covenants (on its own behalf and, if applicable, on behalf of those for whom the Purchaser is contracting under the Subscription Agreement) and certifies to the Company and the Agents and acknowledges that the Company and the Agents are relying thereon that:

General

A. one of the following clauses (i), (ii) or (iii) applies:

- (i) the Purchaser is resident in or otherwise subject to the laws of the jurisdiction set out as the "Purchaser's Residential Address" on page 3 of the Subscription Agreement and is purchasing as principal for its own account and not for the benefit of any other person;
 - (ii) the Purchaser is contracting hereunder on behalf of a Disclosed Principal and such Disclosed Principal is resident in or otherwise subject to the laws of the jurisdiction set out as the "Disclosed Principal's Residential Address" on page 3 of the Subscription Agreement and is purchasing as principal for its own account and not for the benefit of any other person; or
 - (iii) the Purchaser is deemed to be purchasing as principal pursuant to NI 45-106 with respect to a purchase of the Units, by virtue of the fact that it is a trust company or trust corporation described in clause (p) of the definition of "accredited investor" in Section B below and is not a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered or authorized under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in another jurisdiction of Canada, or by virtue of the fact that it is a person or company described in item (q) of the definition of "accredited investor" in Section B below; **and**
-

Prospectus Exemptions

B. the Purchaser or the Disclosed Principal, as applicable, is, as of the date hereof, and will be, as of the Closing Date, an “accredited investor”, as such term is defined in NI 45-106, by virtue of the fact that the Purchaser or the Disclosed Principal, as applicable, falls within one or more of the following categories checked below. **A Purchaser checking boxes (j), (j.1), (k) or (l) must also complete and sign Appendix A to this Schedule “B” (Form 45-106F9 - Form for Individual Accredited Investors).**

(a)	a Canadian financial institution, or a Schedule III bank;	<input type="checkbox"/>
(b)	the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada);	<input type="checkbox"/>
(c)	a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;	<input type="checkbox"/>
(d)	a person registered under the securities legislation of a jurisdiction of Canada as an adviser or a dealer;	<input type="checkbox"/>
(e)	an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);	<input type="checkbox"/>
(e.1)	an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador);	<input type="checkbox"/>
(f)	the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;	<input type="checkbox"/>
(g)	a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec;	<input type="checkbox"/>
(h)	any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;	<input type="checkbox"/>

(l)	a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada;	<input type="checkbox"/>
(j)	an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;	<input type="checkbox"/>
(j.1)	an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000;	<input type="checkbox"/>
(k)	an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;	<input type="checkbox"/>
(l)	an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;	<input type="checkbox"/>
(m)	a person, other than an individual or an investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;	<input type="checkbox"/>
(n)	<p>an investment fund that distributes or has distributed its securities only to:</p> <p>(i) a person that is or was an accredited investor at the time of the distribution;</p> <p>(ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (Minimum amount investment), or 2.19 (Additional investment in investment funds) of NI 45-106; or</p> <p>(iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 (Investment fund reinvestment) of NI 45-106;</p>	<input type="checkbox"/>
(o)	an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;	<input type="checkbox"/>

(p)	a trust company or trust corporation registered or authorized to carry on business under the <i>Trust and Loan Companies Act</i> (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;	<input type="checkbox"/>
(q)	a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;	<input type="checkbox"/>
(r)	a registered charity under the <i>Income Tax Act</i> (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;	<input type="checkbox"/>
(s)	an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;	<input type="checkbox"/>
(t)	a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;	<input type="checkbox"/>
(u)	an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;	<input type="checkbox"/>
(v)	a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor; or	<input type="checkbox"/>
(w)	a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.	<input type="checkbox"/>

The foregoing representations are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Date. If any such representation will not be true and accurate prior to the Closing Date, the undersigned will give immediate written notice of such fact to the Company.

Dated: _____, 2019

Name of Purchaser

Name of witness (if the Purchaser is an individual)

Signature of Purchaser

Signature of witness

If the Purchaser is a corporation, print name and title of Authorized
Signing Officer

APPENDIX A TO SCHEDULE "B"

Form 45-106F9

Form for Individual Accredited Investors

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER

1. About your investment

Type of securities: Unit consisting of one Common Share and one Warrant

Issuer: Body and Mind Inc.

Purchased from: Issuer

[Instruction: Indicate whether securities are purchased from the issuer or a selling security holder.]

SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER

2. Risk acknowledgement

This investment is risky. Initial that you understand that:

Initials

Risk of loss – You could lose your entire investment of \$ _____.

[Instruction: Insert the total dollar amount of the investment.]

Liquidity risk – You may not be able to sell your investment quickly – or at all.

Lack of information – You may receive little or no information about your investment.

Lack of advice – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca.

3. Accredited investor status

You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.

Initials

• Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)

• Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.		
• Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.		
• Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)		
4. Your name and signature		
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.		
First and last name (please print):		
Signature:		Date:
SECTION 5 TO BE COMPLETED BY THE SALESPERSON		
5. Salesperson information		
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>		
First and last name of salesperson (please print):		
Telephone:		Email:
Name of firm (if registered):		
SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER		
6. For more information about this investment		
<p>Body and Mind Inc. 1095 West Pender Street Vancouver, BC V6E 2M6 Attention: Leonard Clough, CEO</p> <p>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.</p>		

*The Purchaser must complete and sign this form. The Company and the Agents must receive a copy of this form signed by the Purchaser. **The Company is required to keep a signed copy of this form for 8 years after the distribution.***

SCHEDULE "C"
U.S. ACCREDITED INVESTOR CERTIFICATE

This is Schedule "C" to the Subscription Agreement relating to the purchase Units of Body and Mind Inc. (the "Company"). Capitalized terms used but not defined in this schedule are intended to have the meanings given thereto, as applicable, in the Subscription Agreement.

TO: BODY AND MIND INC.

AND TO: M PARTNERS INC. (the "Lead Agent") and PI FINANCIAL CORP. (together with the Lead Agent, the "Agents")

Reference is made to the Subscription Agreement between the Company and the undersigned (referred to herein as the "Purchaser") dated as of the date hereof (the "Subscription Agreement"). Upon execution of this certificate (the "Purchaser Certificate") by the Purchaser, this Purchaser Certificate will be incorporated into and form a part of the Subscription Agreement.

All monetary references are in U.S. dollars.

In addition to the covenants, representations and warranties contained in the Subscription Agreement, the undersigned Purchaser covenants, represents and warrants to the Company and to the Agents that the Purchaser (on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contacting hereunder):

- (a) (i) is a "U.S. Person" as defined in Rule 902(k) of Regulation S under the United States *Securities Act of 1933*, as amended (the "**1933 Act**") and which, without limiting the foregoing, includes a natural person resident in the United States, a partnership, limited liability company, or corporation organized or incorporated under the laws of the United States, an estate of which any executor or administrator is a U.S. Person, a trust of which any trustee is a U.S. Person, a non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit of a U.S. Person, a discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if an individual) resident in the United States, and a partnership or corporation if (A) organized or incorporated under the laws of any foreign jurisdiction, and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by "accredited investors" under Rule 501(a) of Regulation D under the 1933 Act ("**Regulation D**") who are not natural persons, estates or trusts; or (ii) is not a U.S. Person but was offered the Units, or executed or delivered the Subscription Agreement, in the United States (which, for the purposes of this Schedule means the United States of America, its territories and possessions and the District of Columbia); or (iii) is purchasing the Units for the account of or benefit of a U.S. Person or a person in the United States, or is otherwise subject to the securities laws of the United States;
 - (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment and it is able to bear the economic risk of loss of the investment;
 - (c) is purchasing the Securities for its own account or for the account of one or more beneficial purchasers for whom it is exercising sole investment discretion, for investment only and not with a view to resale or distribution and in particular, neither it nor any beneficial purchaser for whose account it is purchasing the Units has any intention to distribute either directly or indirectly any of the Securities in the United States or to U.S. Persons unless such Securities are registered under the 1933 Act and any applicable state securities laws, including, without limitation, any regulation under the 1933 Act, or in reliance on and pursuant to an exemption from such requirements;
-

- (d) the Purchaser acknowledges that (i) the Company has not undertaken, and will have no obligation, to register any of Securities under the 1933 Act or any applicable state securities laws, (ii) the Securities may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. Person or person in the United States except pursuant to registration under the 1933 Act and the securities laws of all applicable states or available exemptions therefrom, and (iii) the Company has present intention of filing a registration statement under the 1933 Act or the securities laws of any applicable states in respect of any of the Securities;
- (d) the purchase and sale contemplated hereby is being made in reliance on an exemption from registration under Rule 506(b) of Regulation D based in part upon the Purchaser's representations contained herein, including without limitation that the Purchaser is an "accredited investor" meeting one or more of the criteria in Rule 501(a) of Regulation D;
- (e) satisfies one or more of the following categories of "accredited investor" **(please write "SUB" for the undersigned Purchaser, and "BP" for each beneficial purchaser, if any, on each line that applies):**

_____ Category 1. A bank, as defined in Section 3(a)(2) of the 1933 Act, whether acting in its individual or fiduciary capacity; a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended; an insurance company as defined in Section 2(a)(13) of the 1933 Act; an investment company registered under the United States Investment Company Act of 1940; a business development company as defined in Section 2(a)(48) of the United States Investment Company Act of 1940; a small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S.\$5,000,000; or an employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974 in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S.\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are "accredited investors" (as such term is defined in Rule 501 under the 1933 Act); or

_____ Category 2. A private business development company as defined in Section 202(a)(22) of the United States Investment Advisers Act of 1940; or;

_____ Category 3. An organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust, a partnership or a limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of U.S.\$5,000,000; or;

_____ Category 4. Any director or executive officer of the Company; or

- _____ Category 5. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his or her purchase exceeds US\$1,000,000 (**note:** for the purposes of calculating net worth: (i) the person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale and purchase of securities contemplated hereby, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale and purchase of securities contemplated hereby exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability); or
- _____ Category 6. A natural person who had an individual income in excess of U.S.\$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S.\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
- _____ Category 7. A trust, with total assets in excess of U.S.\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the 1933 Act.
- _____ Category 8. Any entity in which each of the equity owners meets the requirements of one or more of the above categories – ***if this alternative is selected you must identify each equity owner and provide statements from each demonstrating how they qualify as an accredited investor.***
- (f) acknowledges that the Purchaser has not purchased the Units as a result of any form of "general solicitation" or "general advertising" (as such terms are defined in Regulation D under the 1933 Act) including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media (including any press release of the Corporation) or broadcast over the Internet, radio, or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (g) understands that the Securities will not be registered under the 1933 Act and are "restricted securities" as that term is defined in Rule 144(a)(3) of the 1933 Act and agrees that if the Purchaser decides to offer, sell or otherwise transfer any of the Securities, the Purchaser will not offer, sell or otherwise transfer any of such Securities directly or indirectly, unless:
- (A) the sale is to the Company;
- (B) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the 1933 Act and in compliance with applicable local laws and regulations;
- (C) the sale is made pursuant to the exemption from the registration requirements under the 1933 Act provided by Rule 144 thereunder, if available, and in compliance with any applicable state securities laws; or
- (D) the Securities are sold in a transaction that does not require registration under the 1933 Act or any applicable state laws and regulations governing the offer and sale of securities, and the Purchaser has prior to such sale furnished to the Company an opinion of counsel reasonably satisfactory to the Company, stating that such sale, transfer, assignment or hypothecation is exempt from the registration and prospectus delivery requirements of the 1933 Act and any applicable state securities laws;
-

- (h) acknowledges that it has not purchased the Units as a result of, and will not itself engage in, any “directed selling efforts” (as defined in Regulation S under the 1933 Act) in the United States in respect of the Securities which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Securities;
- (i) understands and acknowledges that any certificates representing any Securities sold in the United States, and all certificates issued in exchange for or in substitution of such certificates will bear the following legends upon the original issuance of any such Securities and until the legend is no longer required under applicable requirements of the 1933 Act or applicable state securities laws:

- (i) the certificates representing the Offered Securities, and the certificates representing the Warrant Shares if issued prior to four months after the Closing Date, will bear a legend in substantially the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE];”

- (ii) the certificates representing the Offered Securities, and the certificates representing the Warrant Shares will be required to be stamped with the following legend (or substantially equivalent language):

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE [for warrants add: AND THE SECURITIES ISSUABLE HEREUNDER] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.”; and

- (iii) the certificates representing the Warrants will also bear a legend in substantially the following form:

“THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON OR A PERSON IN THE UNITED STATES UNLESS THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED BY REGULATION S UNDER THE U.S. SECURITIES ACT.”

provided, however, in (ii) immediately above, if any Securities are being sold, the legend may be removed by delivery to the registrar and transfer agent and the Company of an opinion of counsel, of recognized standing reasonably satisfactory to the Company, that such legend is no longer required under applicable requirements of the 1933 Act or state securities laws.

- (j) it understands that the Warrants may not be exercised in the United States or by, or on behalf of, a U.S. Person or a person in the United States unless exemptions are available from the registration requirements of the 1933 Act and the securities laws of all applicable states, and the holder has furnished an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect; provided that a holder of Warrants (a "**Warrantholder**"), as the case may be, will not be required to deliver an opinion of counsel in connection with its due exercise of the Warrants, for its own account or for the account of the original beneficial purchaser, if any, at a time when the Warrantholder and such original beneficial purchaser thereof, if any, are "accredited investors" meeting one or more of the criteria in Rule 501(a) of Regulation D;
 - (k) consents to the Company making a notation on its records or giving instruction to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described herein;
 - (l) the office or residence of the Purchaser at which the Purchaser received and accepted the offer to purchase the Units is the address set out in the "Purchaser's Address" on page 3 of the Subscription Agreement;
 - (m) has relied solely upon its own independent investigation in making a decision to purchase the Units and acknowledges that the Units are speculative investments which involve a substantial degree of risk with no assurance of any income from such investments and the possibility that such may become worthless;
 - (n) certifies that the Purchaser has received or has had full access to all the information the Purchaser considers necessary or appropriate to make an informed investment decision with respect to the Units;
 - (o) certifies that the Purchaser has had an opportunity to ask questions and receive answers from the Company regarding the Company's business, management and financial affairs and the terms and conditions of the offer, sale and issuance of the Offered Securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to the Purchaser or to which the Purchaser had access;
 - (p) certifies that the offer, sale and issuance of the Securities is not a transaction, or part of a chain of transactions which, although in technical compliance with Regulation D, is part of a plan or scheme to evade the registration requirements of the 1933 Act;
 - (q) certifies that, if the Purchaser is an entity or organization, the Purchaser was not formed for the specific purpose of acquiring the Units;
-

- (r) (i) the funds representing the aggregate purchase price which will be advanced by the Purchaser for the subscription for the Units in the Offering will not represent proceeds of crime for the purposes of the *United States Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (the "PATRIOT Act"), and the Purchaser acknowledges that the Company, the Agents and/or any of their respective affiliates in the United States may in the future be required by law to disclose the Purchaser's name and other information relating to the Subscription Agreement and the undersigned's subscription hereunder, on a confidential basis, pursuant to the PATRIOT Act, and (b) no portion of the aggregate purchase price to be provided by the Purchaser (i) has been or will be derived from or related to any activity that is deemed criminal under the laws of the United States of America, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity that has not been identified to or by the Purchaser; and the Purchaser shall promptly notify the Agents, the Company and their respective affiliates in the United States if the Purchaser discovers that any of such representations ceases to be true and provide the Agents, the Company and any of their respective affiliates in the United States with appropriate information in connection therewith;
 - (s) it acknowledges and understands that no agency, governmental authority, regulatory body, stock exchange or other entity (including, without limitation, the United States Securities and Exchange Commission or any state securities commission) has made any finding or determination as to the merit of investment in, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to, any of the Units; and
 - (t) understands and agrees that there may be material tax consequences to the Purchaser of an acquisition, disposition or exercise of any of the Securities; the Company gives no opinion and makes no representation with respect to the tax consequences to the Purchaser under United States, state, local or foreign tax law of the Purchaser's acquisition or disposition of such Securities; in particular, no determination has been made whether the Company will be a "passive foreign investment company" within the meaning of Section 1297 of the United States Internal Revenue Code.
-

The foregoing representations are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Date. If any such representation will not be true and accurate prior to the Closing Date, the undersigned will give immediate written notice of such fact to the Company.

Dated: _____, 2019

Name of Purchaser

Name of witness (if the Purchaser is an individual)

Signature of Purchaser

Signature of witness

If the Purchaser is a corporation, print name and title of Authorized
Signing Officer

SCHEDULE "D"
OFFSHORE PURCHASER CERTIFICATE

This is Schedule "D" to the Subscription Agreement relating to the purchase of the Units of Body and Mind Inc. (the "Company"). Capitalized terms used but not defined in this schedule are intended to have the meanings given thereto, as applicable, in the Subscription Agreement.

TO: BODY AND MIND INC. (the "Company")
AND TO: M PARTNERS INC. (the "Lead Agent") and **PI FINANCIAL CORP.** (together with the Lead Agent, the "Agents")

The Purchaser hereby represents, warrants and certifies (by completing and signing this certificate below) on its own behalf or, if applicable on behalf of those for whom the Purchaser is contracting hereunder, to the Company and the Agents (which representations, warranties and certifications will survive the closing of the purchase of the Units by the Purchaser pursuant to the Subscription Agreement) and acknowledges that the Company and the Agents are relying thereon that:

- (a) The Purchaser is: (i) purchasing the securities as principal for its own account and not for the benefit of any other person, and it is purchasing for investment only and not with a view to resale or distribution and no other person, corporation, firm or other organization has a beneficial interest in the said securities being purchased; or (ii) purchasing the securities as agent or trustee for the principal disclosed on page 3 of this Subscription Agreement and not for the benefit of any other person, and is purchasing for investment only and not for a view to resale or distribution;
- (b) The Purchaser is located outside of Canada and the United States and is not a "U.S. Person" as defined in Rule 902(k) of Regulation S under the United States Securities Act of 1933, as amended;
- (c) The subscription by the Purchaser does not contravene any of the applicable securities legislation in the jurisdiction in which the Purchaser resides and does not give rise to: (i) any obligation of the Company to prepare and file a prospectus or similar document or to register the Offered Securities or the Warrant Shares, or to be registered with, any obligation to file a report or notice with any governmental or regulatory authority; or (ii) any continuous disclosure reporting obligation of the Company in the International Jurisdiction (as defined in the Subscription Agreement);
- (d) the Purchaser is purchasing the Units pursuant to exemptions from any prospectus, registration or similar requirements under the laws of that International Jurisdiction or, if such is not applicable, the Purchaser is permitted to purchase the Units without the need to comply with any substantive or procedural requirements or any kind whatsoever in the Purchaser's jurisdiction of residence; and
- (e) the Purchaser will, if requested by the Company, deliver to the Company a certificate or opinion of local counsel from the Purchaser's jurisdiction of residence confirming the matters referred to in subparagraph (d) above to the satisfaction of the Company, acting reasonably.

[The remainder of this page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the ____ day of _____, 2019.

If a Company, Partnership or Other Entity

If an Individual:

Name of Entity

Signature

Type of Entity

Print or Type Name

Signature of Person Signing

Print or Type Name and Title of Person Signing

- 1 -

THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE SEPTEMBER 18, 2019.

THESE WARRANTS MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A PERSON IN THE UNITED STATES OR A U.S. PERSON UNLESS THESE WARRANTS AND THE SECURITIES DELIVERABLE UPON EXERCISE OF THESE WARRANTS HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATIONS UNDER THE U.S. SECURITIES ACT.

THE WARRANTS REPRESENTED HEREBY WILL BE VOID AND OF NO VALUE AFTER 5:00 PM (PACIFIC TIME) ON MAY 17, 2023.

BODY AND MIND INC.
(a Nevada Corporation)

WARRANT CERTIFICATE

WARRANT TO PURCHASE COMMON SHARES

Warrant Certificate Number: 2019-05-◆

Number of Warrants: ◆

THIS IS TO CERTIFY THAT for value received, *[insert name of investor]*, of *[insert address of investor]* (the "Warrantholder") has the right to purchase in respect of each warrant (the "Warrants") represented by this certificate or by a replacement certificate (in either case this "Warrant Certificate"), at any time up to 5:00 p.m. (Pacific time) on May 17, 2023 (the "Expiry Time") one fully paid and non-assessable common share (the "Common Shares") of Body and Mind Inc. (the "Corporation"), a corporation incorporated under the laws of the State of Nevada, as constituted on the date hereof, at an exercise purchase price (the purchase price in effect from time to time being called the "Exercise Price") of CAD\$1.50 per Common Share if exercised on or before May 17, 2023, subject to adjustment as provided herein.

The Corporation agrees that the Common Shares purchased pursuant to the exercise of the Warrants shall be and be deemed to be issued to the Warrantholder as of the close of business on the date on which this Warrant Certificate shall have been surrendered and payment made for such Common Shares as aforesaid.

Nothing contained herein shall confer any right upon the Warrantholder to subscribe for or purchase any Common Shares at any time after the Expiry Time and from and after the Expiry Time the Warrants and all rights under this Warrant Certificate shall be void and of no value.

The above provisions are subject to the following:

1. Exercise

1.1 In the event that the Warrantholder desires to exercise the right to purchase Common Shares conferred hereby, the Warrantholder shall (a) surrender this Warrant Certificate to the Corporation in accordance with section 9 hereof, (b) complete and execute a subscription form in the form attached as Schedule A to this Warrant Certificate, and (c) pay the amount payable on the exercise of this Warrant in respect of the Common Shares subscribed for either by bank draft or cheque payable to the Corporation. Upon such surrender and payment as aforesaid, the Warrantholder shall be deemed for all purposes to be the holder of record of the number of Common Shares to be so issued and the Warrantholder shall be entitled to delivery of a certificate or certificates representing such Common Shares and the Corporation shall cause such certificate or certificates to be delivered to the Warrantholder at the address specified in the subscription form within five business days after such surrender and payment as aforesaid. No fractional Common Shares will be issuable upon any exercise of this Warrant and the Warrantholder will not be entitled to any cash payment or compensation in lieu of a fractional Common Share.

2. Partial Exercise

2.1 The Warrantholder may from time to time subscribe for and purchase any lesser number of Common Shares than the number of Common Shares expressed in this Warrant Certificate. In the event that the Warrantholder subscribes for and purchases any such lesser number of Common Shares prior to the Expiry Time, the Warrantholder shall be entitled to receive a replacement certificate representing the unexercised balance of the Warrants.

3. Not a Shareholder

3.1 The holding of the Warrants shall not constitute the Warrantholder a shareholder of the Corporation nor entitle the Warrantholder to any right or interest in respect thereof except as expressly provided in this Warrant Certificate.

4. Covenants and Representations

4.1 The Corporation hereby represents and warrants that it is authorized to issue and that it will cause the Common Shares from time to time subscribed for and purchased in the manner provided in this Warrant Certificate and the certificate representing such Common Shares to be issued and that, at all times prior to the Expiry Time, it will reserve and there will remain unissued a sufficient number of Common Shares to satisfy the right of purchase provided in this Warrant Certificate. All Common Shares which are issued upon the exercise of the right of purchase provided in this Warrant Certificate, upon payment therefor of the amount at which such Common Shares may be purchased pursuant to the provisions of this Warrant Certificate, shall be and be deemed to be fully paid and non-assessable shares and free from all taxes, liens and charges with respect to the issue thereof. The Corporation hereby represents and warrants that this Warrant Certificate is a valid and enforceable obligation of the Corporation, enforceable in accordance with the provisions of this Warrant Certificate. The Corporation hereby represents and warrants that it will at all times prior to the Expiry Time of any Warrants hereunder maintain its existence, will carry on and conduct its business in a prudent manner in accordance with industry standards and good business practice, and will keep or cause to be kept proper books of account in accordance with applicable law.

5. Anti-Dilution Protection:

5.1 **Definitions:** For the purposes of this section 5, unless there is something in the subject matter or context inconsistent therewith, the words and terms defined below shall have the respective meanings specified therefor in this subsection 5.1:

- (a) “**Adjustment Period**” means the period commencing on May 17, 2019 and ending at the Expiry Time;
- (b) “**Current Market Price**” of the Corporation’s Common Shares at any date means, if the Common Shares are traded on a stock exchange or in the over-the-counter market, the price per share equal to the weighted average price at which the Common Shares have traded in the over-the-counter market, during the period of any 20 consecutive trading days ending not more than five business days before such date; provided that the weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during such 20 consecutive trading days by the total number of Common Shares so sold; and provided further that if the Common Shares are not then traded on a stock exchange or in the over-the-counter market, then the Current Market Price shall be determined by such firm of independent chartered accountants as may be selected by the directors of the Corporation;
- (c) “**director**” means a director of the Corporation for the time being and, unless otherwise specified herein, a reference to action “by the directors” means action by the directors of the Corporation as a board or, whenever empowered, action by any committee of the directors of the Corporation; and
- (d) “**trading day**” with respect to a stock exchange or over-the-counter market means a day on which such stock exchange or market is open for business.

5.2 **Adjustments:** The Exercise Price and the number of Common Shares issuable to the Warrantholder pursuant to this Warrant Certificate shall be subject to adjustment from time to time in the events and in the manner provided as follows:

- (a) If at any time during the Adjustment Period the Corporation shall:
 - (i) fix a record date for the issue of, or issue, Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend;
 - (ii) fix a record date for the distribution to, or make a distribution to, the holders of all or substantially all of the outstanding Common Shares payable in Common Shares or securities exchangeable for or convertible into Common Shares;
 - (iii) subdivide the outstanding Common Shares into a greater number of Common Shares; or
-

(iv) consolidate the outstanding Common Shares into a lesser number of Common Shares;

(any of such events in subclauses 5.2(a)(i), 5.2(a)(ii), 5.2(a)(iii) and 5.2(a)(iv) above being herein called a “**Share Reorganization**”), the Exercise Price shall be adjusted on the earlier of the record date on which holders of Common Shares are determined for the purposes of the Share Reorganization and the effective date of the Share Reorganization to the amount determined by multiplying the Exercise Price in effect immediately prior to such record date or effective date, as the case may be, by a fraction:

- (A) the numerator of which shall be the number of Common Shares outstanding on such record date or effective date, as the case may be, before giving effect to such Share Reorganization; and
- (B) the denominator of which shall be the number of Common Shares which will be outstanding immediately after giving effect to such Share Reorganization (including in the case of a distribution of securities exchangeable for or convertible into Common Shares the number of Common Shares that would have been outstanding had such securities been exchanged for or converted into Common Shares on such date).

To the extent that any adjustment in the Exercise Price occurs pursuant to this clause 5.2(a) as a result of the fixing by the Corporation of a record date for the distribution of securities exchangeable for or convertible into Common Shares, the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange or conversion right to the Exercise Price which would then be in effect based upon the number of Common Shares actually issued and remaining issuable after such expiry and shall be further readjusted in such manner upon the expiry of any further such right. If the Warrantholder has not exercised its right to subscribe for and purchase Common Shares on or prior to the record date of such stock dividend or distribution or the effective date of such subdivision or consolidation, as the case may be, upon the exercise of such right thereafter shall be entitled to receive and shall accept in lieu of the number of Common Shares then subscribed for and purchased by the Warrantholder, at the Exercise Price determined in accordance with this clause 5.2(a) the aggregate number of Common Shares that the Warrantholder would have been entitled to receive as a result of such Share Reorganization, if, on such record date or effective date, as the case may be, the Warrantholder had been the holder of record of the number of Common Shares so subscribed for and purchased.

- (b) If at any time during the Adjustment Period the Corporation shall fix a record date for the issue or distribution to the holders of all or substantially all of the outstanding Common Shares of rights, options or warrants pursuant to which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (such period being the “**Rights Period**”), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share to the holder (or in the case of securities exchangeable for or convertible into Common Shares, at an exchange or conversion price per share) at the date of issue of such securities of less than 95% of the Current Market Price of the Common Shares on such record date (any of such events being called a “**Rights Offering**”), the Exercise Price shall be adjusted effective immediately after the record date for such Rights Offering to the amount determined by multiplying the Exercise Price in effect on such record date by a fraction:
- (i) the numerator of which shall be the aggregate of:
 - (A) the number of Common Shares outstanding on the record date for the Rights Offering; and
 - (B) the quotient determined by dividing:
 - (I) either (a) the product of the number of Common Shares offered during the Rights Period pursuant to the Rights Offering and the price at which such Common Shares are offered, or, (b) the product of the exchange, exercise or conversion price of the securities so offered and the number of Common Shares for or into which the securities offered pursuant to the Rights Offering may be exchanged, exercised or converted, as the case may be; by
 - (II) the Current Market Price of the Common Shares as of the record date for the Rights Offering; and
 - (ii) the denominator of which shall be the aggregate of the number of Common Shares outstanding on such record date and the number of Common Shares offered pursuant to the Rights Offering (including in the case of the issue or distribution of securities exchangeable or exercisable for or convertible into Common Shares the number of Common Shares into which such securities may be exchanged, exercised or converted).

If by the terms of the rights, options, or warrants referred to in this clause 5.2(b), there is more than one purchase, conversion or exchange price per Common Share, the aggregate price of the total number of additional Common Shares offered for subscription or purchase, or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered, shall be calculated for purposes of the adjustment on the basis of the lowest purchase, conversion or exchange price per Common Share, as the case may be. Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this clause 5.2(b) as a result of the fixing by the Corporation of a record date for the issue or distribution of rights, options or warrants referred to in this clause 5.2(b), the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange, conversion or exercise right to the Exercise Price which would then be in effect based upon the number of Common Shares actually issued and remaining issuable after such expiry and shall be further readjusted in such manner upon the expiry of any further such right.

- (c) If at any time during the Adjustment Period the Corporation shall fix a record date for the issue or distribution to the holders of all or substantially all of the Common Shares of:
- (i) shares of the Corporation of any class other than Common Shares;
 - (ii) rights, options or warrants to acquire Common Shares or securities exchangeable or exercisable for or convertible into Common Shares (other than rights, options or warrants pursuant to which holders of Common Shares are entitled, during a period expiring not more than 45 days after the record date for such issue, to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share (or in the case of securities exchangeable or exercisable for or convertible into Common Shares at an exchange, exercise or conversion price per share on the record date for the issue of such securities) of at least 95% of the Current Market Price of the Common Shares on such record date);
-

- (iii) evidences of indebtedness of the Corporation; or
- (iv) any property or assets of the Corporation;

and if such issue or distribution does not constitute a Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a "**Special Distribution**"), the Exercise Price shall be adjusted effective immediately after the record date for the Special Distribution to the amount determined by multiplying the Exercise Price in effect on the record date for the Special Distribution by a fraction:

- (A) the numerator of which shall be the difference between:
 - (I) the product of the number of Common Shares outstanding on such record date and the Current Market Price of the Common Shares on such record date; and
 - (II) the fair value, as determined by a recognized independent firm of valuers, to the holders of Common Shares of the shares, rights, options, warrants, evidences of indebtedness or property or assets to be issued or distributed in the Special Distribution; and
- (B) the denominator of which shall be the product obtained by multiplying the number of Common Shares outstanding on such record date by the Current Market Price of the Common Shares on such record date.

Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this clause 5.2(c) as a result of the fixing by the Corporation of a record date for the issue or distribution of rights, options or warrants to acquire Common Shares or securities exchangeable or exercisable for or convertible into Common Shares referred to in this clause 5.2(c), the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange, exercise or conversion right to the amount which would then be in effect if the current market value of the Common Shares had been determined on the basis of the number of Common Shares issued and remaining issuable immediately after such expiry, and shall be further readjusted in such manner upon the expiry of any further such right.

- (d) If at any time during the Adjustment Period there shall occur:
 - (i) a reclassification or redesignation of the Common Shares, any change of the Common Shares into other shares or securities or any other capital reorganization involving the Common Shares other than a Share Reorganization;
-

(ii) a consolidation, amalgamation or merger of the Corporation with or into any other body corporate which results in a reclassification or redesignation of the Common Shares or a change of the Common Shares into other shares or securities; or

(iii) the transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or entity;

(any of such events being herein called a “**Capital Reorganization**”), after the effective date of the Capital Reorganization:

(iv) the Warrantheader shall be entitled to receive, and shall accept, for the same aggregate consideration, upon exercise of this Warrant, in lieu of the number of Common Shares which the Warrantheader was theretofore entitled to purchase or receive upon the exercise of this Warrant, the kind and aggregate number of shares and other securities or property resulting from the Capital Reorganization which the Warrantheader would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, the Warrantheader had been the registered holder of the number of Common Shares to which the Warrantheader was theretofore entitled to purchase or receive upon the exercise of this Warrant; and

(v) the Exercise Price shall, on the effective date of the Capital Reorganization, be adjusted by multiplying the Exercise Price in effect immediately prior to such Capital Reorganization by the number of Common Shares purchasable pursuant to this Warrant Certificate immediately prior to the Capital Reorganization, and dividing the product thereof by the number of successor securities determined in Section 5.2(d)(iv) above.

(e) If necessary, as a result of any Capital Reorganization, appropriate adjustments shall be made in the application of the provisions of this Warrant Certificate with respect to the rights and interest thereafter of the Warrantheader to the end that the provisions of this Warrant Certificate shall thereafter correspondingly be made applicable as nearly as may reasonably be possible in relation to any shares or other securities or property thereafter deliverable upon the exercise of this Warrant.

(f) If at any time during the Adjustment Period any adjustment or readjustment in the Exercise Price shall occur pursuant to the provisions of clauses 5.2(a), 5.2(b) or 5.2(c) hereof, then the number of Common Shares purchasable upon the subsequent exercise of this Warrant shall be simultaneously adjusted or readjusted, as the case may be, by multiplying the number of Common Shares purchasable upon the exercise of this Warrant immediately prior to such adjustment or readjustment by a fraction which shall be the reciprocal of the fraction used in the adjustment or readjustment of the Exercise Price.

5.3 Rules: The following rules and procedures shall be applicable to adjustments made pursuant to subsection 5.2 hereof.

(a) Subject to the following provisions of this subsection 5.3, any adjustment made pursuant to subsection 5.2 hereof shall be made successively whenever an event referred to therein shall occur.

- (b) No adjustment in the Exercise Price shall be required unless such adjustment would result in a change of at least one per cent in the then Exercise Price and no adjustment shall be made in the number of Common Shares purchasable or issuable on the exercise of this Warrant unless it would result in a change of at least one one-hundredth of a Common Share; provided, however, that any adjustments which except for the provision of this clause 5.3(b) would otherwise have been required to be made shall be carried forward and taken into account in any subsequent adjustment. Notwithstanding any other provision of subsection 5.2 hereof, no adjustment of the Exercise Price shall be made which would result in an increase in the Exercise Price or a decrease in the number of Common Shares issuable upon the exercise of this Warrant (except in respect of the Share Reorganization described in subclause 5.2(a)(iv) hereof or a Capital Reorganization described in subclause 5.2(d)(ii) hereof).
 - (c) No adjustment in the Exercise Price or in the number or kind of securities purchasable upon the exercise of this Warrant shall be made in respect of any event described in section 5 hereof if the Warrantholder is entitled to participate in such event on the same terms mutatis mutandis as if the Warrantholder had exercised this Warrant prior to or on the record date or effective date, as the case may be, of such event.
 - (d) No adjustment in the Exercise Price or in the number of Common Shares purchasable upon the exercise of this Warrant shall be made pursuant to subsection 5.2 hereof in respect of the issue from time to time of Common Shares pursuant to this Warrant Certificate or pursuant to any stock option, stock purchase or stock bonus plan in effect from time to time for directors, officers or employees of the Corporation and/or any subsidiary of the Corporation and any such issue, and any grant of options in connection therewith, shall be deemed not to be a Share Reorganization, a Rights Offering nor any other event described in subsection 5.2 hereof.
 - (e) If at any time during the Adjustment Period the Corporation shall take any action affecting the Common Shares, other than an action described in subsection 5.2 hereof, which in the opinion of the directors would have a material adverse effect upon the rights of the Warrantholder, either or both the Exercise Price and the number of Common Shares purchasable upon exercise of this Warrant shall be adjusted in such manner and at such time by action by the directors, in their sole discretion, as may be equitable in the circumstances. Failure of the taking of action by the directors so as to provide for an adjustment prior to the effective date of any action by the Corporation affecting the Common Shares shall be deemed to be conclusive evidence that the directors have determined that it is equitable to make no adjustment in the circumstances.
 - (f) If the Corporation shall set a record date to determine holders of Common Shares for the purpose of entitling such holders to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such holders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of Common Shares purchasable upon exercise of this Warrant shall be required by reason of the setting of such record date.
-

- (g) In any case in which this Warrant shall require that an adjustment shall become effective immediately after a record date for an event referred to in subsection 5.2 hereof, the Corporation may defer, until the occurrence of such event:
 - (i) issuing to the Warrantholder, to the extent that this Warrant is exercised after such record date and before the occurrence of such event, the additional Common Shares issuable upon such exercise by reason of the adjustment required by such event; and
 - (ii) delivering to the Warrantholder any distribution declared with respect to such additional Common Shares after such record date and before such event;

provided, however, that the Corporation shall deliver to the Warrantholder an appropriate instrument evidencing the right of the Warrantholder, upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price and the number of Common Shares purchasable upon the exercise of this Warrant and to such distribution declared with respect to any such additional Common Shares issuable on this exercise of this Warrant.

- (h) In the absence of a resolution of the directors fixing a record date for a Rights Offering, the Corporation shall be deemed to have fixed as the record date therefor the date of the issue of the rights, options or warrants issued pursuant to the Rights Offering.
- (i) If a dispute shall at any time arise with respect to adjustments of the Exercise Price or the number of Common Shares purchasable upon the exercise of this Warrant, such disputes shall be conclusively determined by the auditors of the Corporation or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by the directors and any such determination shall be conclusive evidence of the correctness of any adjustment made pursuant to subsection 5.2 hereof and shall be binding upon the Corporation and the Warrantholder.
- (j) As a condition precedent to the taking of any action which would require an adjustment pursuant to subsection 5.2 hereof, including the Exercise Price and the number or class of Common Shares or other securities which are to be received upon the exercise thereof, the Corporation shall take any action which may, in the opinion of counsel to the Corporation, be necessary in order that the Corporation may validly and legally issue as fully paid and non-assessable shares all of the Common Shares or other securities which the Warrantholder is entitled to receive in accordance with the provisions of this Warrant Certificate.

5.4 **Notice:** At least 21 days prior to any record date or effective date, as the case may be, for any event which requires or might require an adjustment in any of the rights of the Warrantholder under this Warrant, including the Exercise Price and the number of Common Shares which are purchasable under this Warrant, the Corporation shall deliver to the Warrantholder a certificate of the Corporation specifying the particulars of such event and, if determinable, the required adjustment and the calculation of such adjustment. In case any adjustment for which a notice in this subsection 5.4 has been given is not then determinable, the Corporation shall promptly after such adjustment is determinable deliver to the Warrantholder a certificate providing the calculation of such adjustment. The Corporation hereby covenants and agrees that the register of transfers and transfer books for the Common Shares will be open, and that the Corporation will not take any action which might deprive the Warrantholder of the opportunity of exercising the rights of subscription contained in this Warrant Certificate, during such 21 day period.

6. Further Assurances

The Corporation hereby covenants and agrees that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all and every such other act, deed and assurance as the Warrantholder shall reasonably require for the better accomplishing and effectuating of the intentions and provisions of this Warrant Certificate.

7. Time of Essence

Time is of the essence of this Warrant Certificate.

8. Governing Laws

This Warrant Certificate shall be construed in accordance with the laws of the State of Nevada. In the event that any dispute shall occur between the parties arising out of or resulting from the construction, interpretation, enforcement or any other aspect of this Certificate, the parties hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Nevada and to the jurisdiction of the United States District Court for the District of Nevada for the purpose of any suit, action or other proceeding arising out of or based upon this Warrant.

9. Notices

All notices or other communications to be given under this Warrant Certificate shall be delivered by hand, by telecopier, or by email and, if delivered by hand, shall be deemed to have been given on the delivery date and, if sent by telecopier or email, on the date of transmission if sent before 4:00 p.m. on a business day or, if such day is not a business day, on the first business day following the date of transmission.

Notices to the Corporation shall be addressed to:

Body and Mind Inc.
1095 West Pender Street, Suite 750
Vancouver, BC V6E 2M6
Attention: Leonard Clough, CEO
Email: len@altuscapital.ca

The Corporation or the Warrantholder may change its address for service by notice in writing to the other of them specifying its new address for service under this Warrant Certificate.

10. Legends on Common Shares

10.1 If the Warrantholder is a U.S. Person or exercising the Warrants for the account or benefit of a U.S. Person, or a person in the United States, then the Warrantholder also acknowledges and understands that the certificates representing the Common Shares will be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner in the United States:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.”;

10.2 If the Warrantholder is outside of the United States and is not (A) a U.S. Person, or (B) exercising the Warrants for the account or benefit of a U.S. Person, or a person in the United States, then the Warrantholder also acknowledges and understands that the certificates representing the Common Shares will be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES REPRESENTED BY THE CERTIFICATE CANNOT BE THE SUBJECT OF HEDGING TRANSACTIONS UNLESS SUCH TRANSACTIONS ARE CONDUCTED IN COMPLIANCE WITH THE U.S. SECURITIES ACT.”;

provided, however, in either 10.1 or 10.2 above, if any Common Shares are being sold, the legend may be removed by delivery to the Corporation’s registrar and transfer agent and the Corporation of an opinion of counsel, of recognized standing reasonably satisfactory to the Corporation, that such legend is no longer required under applicable requirements of the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or state securities laws.

10.3 If the Warrantholder exercises the Warrants prior to September 18, 2019, then the Warrantholder also acknowledges and understands that the certificates representing the Common Shares will be required, in addition to the respective legend set forth in 10.1 or 10.2 above, as applicable, to be stamped with the following legend:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE SEPTEMBER 18, 2019.”

11. Lost Certificate

11.1 If this Warrant Certificate or any replacement hereof becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion impose, acting reasonably, issue and deliver a new certificate, in form identical hereto but with appropriate changes, representing any unexercised portion of the subscription rights represented hereby to replace the certificate so stolen, lost, mutilated or destroyed.

12. Language

The parties hereto acknowledge and confirm that they have requested that this Warrant Certificate as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux présentes reconnaissent et confirment qu'elles ont exigé que la présente convention ainsi que tous les avis et documents qui s'y rattachent soient rédigés dans la langue anglaise.

13. Transfer

13.1 The Warrants are transferable subject to compliance with all applicable securities laws, rules and regulations.

14. Successors and Assigns

14.1 This Warrant Certificate shall enure to the benefit of the Warranthead and the successors and assignees thereof and shall be binding upon the Corporation and the successors thereof.

IN WITNESS WHEREOF, the Corporation has caused this Warrant Certificate to be signed by an authorized officer as of the 17th day of May, 2019.

BODY AND MIND INC.

Per: _____
Authorized Signatory

Schedule A

SUBSCRIPTION FORM

To: Body and Mind Inc.

The undersigned hereby subscribes for _____ common shares (“**Common Shares**”) of Body and Mind Inc. (the “**Corporation**”) (or such other number of Common Shares or other securities to which such subscription entitles the undersigned in lieu thereof or in addition thereto) pursuant to the provisions of the warrant certificate (the “**Warrant Certificate**”) dated as of the 17th day of May, 2019 issued by the Corporation to the Warranholder (as defined in the Warrant Certificate) at the purchase price of CAD\$1.50 per Common Share if exercised on or before 5:00 p.m. (Pacific time) on May 17, 2023, (or at such other purchase price as may then be in effect under the provisions of the Warrant Certificate) and on and subject to the other terms and conditions specified in the Warrant and encloses herewith a cheque, bank draft or money order or has transmitted good same day funds by wire or other similar transfer in Canadian dollars payable to or to the order of the Corporation in payment of the subscription price.

The undersigned hereby directs that the Common Shares subscribed for be registered and delivered as follows:

Name in Full	Address (include Postal/Zip Code)	Number of Common Shares

As at the time of exercise hereunder, the undersigned Warranholder represents, warrants and certifies as follows (check one):

- (A) the undersigned Warranholder at the time of exercise of the Warrant is not in the United States, is not a “U.S. person” as defined in Regulation S under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”), and is not exercising the Warrant for the account or benefit of a U.S. person or a person in the United States (as defined in Regulation S), and did not execute or deliver this subscription form in the United States; OR
 - (B) the undersigned Warranholder is resident in the United States, is a U.S. person, or is exercising the Warrant for the account or benefit of a U.S. person or a person in the United States (a “**U.S. Holder**”), and is an “accredited investor”, as defined in Rule 501(a) of Regulation D under the U.S. Securities Act (a “**U.S. Accredited Investor**”), **and has completed the U.S. Accredited Investor Status Certificate in the form attached to this subscription form**; OR
 - (C) if the undersigned Warranholder is a U.S. Holder, the undersigned Warranholder has delivered to the Corporation and the Corporation’s transfer agent, if applicable, an opinion of counsel (which will not be sufficient unless it is in form and substance satisfactory to the Corporation) or such other evidence satisfactory to the Corporation to the effect that with respect to the common shares to be delivered upon exercise of the Warrant, the issuance of such securities has been registered under the U.S. Securities Act and applicable state securities laws, or an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available.
-

“United States” and “U.S. person” are as defined in Rule 902 of Regulation S under the U.S. Securities Act (“**Regulation S**”).

If the undersigned has checked box (A) immediately above the undersigned:

- (a) agrees not to engage in hedging transactions with regard to the Common Shares prior to the expiration of the six-month distribution compliance period set forth in Rule 903(b)(3) of Regulation S;
- (b) acknowledges that the Common Shares issuable upon exercise of the Warrants are “restricted securities” as defined in Rule 144 of the U.S. Securities Act, and upon the issuance thereof, and until such time as the same is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws and regulations, the certificates representing the Common Shares shall bear the applicable restrictive legends substantially in the forms set forth in sections 10.2 and 10.3 of the Warrant Certificate, as applicable;
- (c) agrees not to resell the Common Shares except (i) pursuant to registration under the U.S. Securities Act and any applicable state securities laws, (ii) pursuant to an available exemption from registration under the U.S. Securities Act and any applicable state securities laws, or (iii) pursuant to the provisions of Regulation S of the U.S. Securities Act; and
- (d) subject to compliance with the Corporation’s constating documents and any other applicable agreements between the undersigned and the Corporation, the undersigned acknowledges that the Corporation shall refuse to register any transfer of the Common Shares not made in accordance with the provisions of Regulation S, pursuant to registration under the U.S. Securities Act and any applicable state securities laws, or pursuant to an available exemption from registration under the U.S. Securities Act and any applicable state securities laws.

Note: Certificates representing Common Shares will not be registered or delivered to an address in the United States unless box (B) or (C) immediately above is checked.

If the undersigned Warrantholder has indicated that the undersigned Warrantholder is a U.S. Accredited Investor by marking box (B) above, the undersigned Warrantholder additionally represents and warrants to the Corporation that:

- 1 the undersigned Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Common Shares, and the undersigned is able to bear the economic risk of loss of his or her entire investment;
 - 2 the undersigned is: (i) purchasing the Common Shares for his or her own account or for the account of one or more U.S. Accredited Investors with respect to which the undersigned is exercising sole investment discretion, and not on behalf of any other person; (ii) is purchasing the Common Shares for investment purposes only and not with a view to resale, distribution or other disposition in violation of United States federal or state securities laws; and (iii) in the case of the purchase by the undersigned of the Common Shares as agent or trustee for any other person or persons (each a “**Beneficial Owner**”), the undersigned Warrantholder has due and proper authority to act as agent or trustee for and on behalf of each such Beneficial Owner in connection with the transactions contemplated hereby; provided that: (x) if the undersigned Warrantholder, or any Beneficial Owner, is a corporation or a partnership, syndicate, trust or other form of unincorporated organization, the undersigned Warrantholder or each such Beneficial Owner was not incorporated or created solely, nor is it being used primarily to permit purchases without a prospectus or registration statement under applicable law; and (y) each Beneficial Owner, if any, is a U.S. Accredited Investor; and
-

3. the undersigned has not exercised the Warrants as a result of any form of general solicitation or general advertising (as such terms are used in Rule 502 of Regulation D under the U.S. Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio, television, the Internet or other form of telecommunications, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

If the undersigned has indicated that the undersigned is a U.S. Accredited Investor by marking box (B) above, the undersigned also acknowledges and agrees that:

1. the Corporation has provided to the undersigned the opportunity to ask questions and receive answers concerning the terms and conditions of the offering, and the undersigned has had access to such information concerning the Corporation as the undersigned has considered necessary or appropriate in connection with the undersigned's investment decision to acquire the Common Shares;
2. if the undersigned decides to offer, sell or otherwise transfer any of the Common Shares, the undersigned must not, and will not, offer, sell or otherwise transfer any of such Common Shares directly or indirectly, unless:

- (a) the sale is to the Corporation;
- (b) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations;
- (c) the sale is made pursuant to the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or "blue sky" laws; or
- (d) the Common Shares are sold in a transaction that does not require registration under the U.S. Securities Act or any applicable state laws and regulations governing the offer and sale of securities,

and in the case of (c) and (d) above, it has prior to such sale furnished to the Corporation and the Corporation's registrar and transfer agent an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Corporation and the Corporation's registrar and transfer agent;

3. the Common Shares are "restricted securities" under applicable federal securities laws and that the U.S. Securities Act and the rules of the United States Securities and Exchange Commission provide in substance that the undersigned may dispose of the Common Shares only pursuant to an effective registration statement under the U.S. Securities Act or an exemption therefrom;
-

4. the Corporation has no obligation to register any of the Common Shares;
5. the certificates representing the Common Shares (and any certificates issued in exchange or substitution for the Common Shares) will bear a legend stating that such securities have not been registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered for sale or sold unless registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or unless an exemption from such registration requirements is available;
6. the legend may be removed by delivery to the Corporation's registrar and transfer agent and the Corporation of an opinion of counsel, of recognized standing reasonably satisfactory to the Corporation, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws;
7. there may be material tax consequences to the undersigned of an acquisition or disposition of the Common Shares;
8. the Corporation gives no opinion and makes no representation with respect to the tax consequences to the undersigned under United States, state, local or foreign tax law of the undersigned's acquisition or disposition of any Common Shares;
9. funds representing the subscription price for the Common Shares which will be advanced by the undersigned to the Corporation upon exercise of the Warrants will not represent proceeds of crime for the purposes of the United States *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (the "**PATRIOT Act**"), and the undersigned acknowledges that the Corporation may in the future be required by law to disclose the undersigned's name and other information relating to this exercise form and the undersigned's subscription hereunder, on a confidential basis, pursuant to the PATRIOT Act. No portion of the subscription price to be provided by the undersigned (i) has been or will be derived from or related to any activity that is deemed criminal under the laws of the United States of America, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity who has not been identified to or by the undersigned, and it shall promptly notify the Corporation if the undersigned discovers that any of such representations ceases to be true and provide the Corporation with appropriate information in connection therewith; and
10. the undersigned consents to the Corporation making a notation on its records or giving instructions to any transfer agent of the Corporation in order to implement the restrictions on transfer set forth and described in this subscription form or the Warrant Certificate.

In the absence of instructions to the contrary, the securities or other property will be issued in the name of or to the Warranholder hereof and will be sent by first class mail to the last address of the Warranholder appearing on the register maintained for the Warrants.

[Signature page follows]

DATED this _____ day of _____, 20__.

In the presence of:

Signature of Witness

Signature of Warranholder

Witness's Name

Name and Title of Authorized Signatory for the
Warranholder

Please print below your name and address in full.

Legal Name _____

Address _____

INSTRUCTIONS FOR SUBSCRIPTION

The signature to the subscription must correspond in every particular with the name written upon the face of the Warrant Certificate without alteration. If the certificates representing the Common Shares to be issued upon exercise of the Warrants differs from the registration of the Warrant Certificates the signature of the registered Warranholder must be guaranteed by an authorized officer of a Canadian chartered bank, or of a major Canadian trust company, or by a medallion signature guarantee from a member recognized under the Signature Medallion Guarantee Program, or from a similar entity in the United States, if this transfer is executed in the United States, or in accordance with industry standards

In the case of persons signing by agent or attorney or by personal representative(s), the authority of such agent, attorney or representative(s) to sign must be proven to the satisfaction of the Corporation.

If the Warrant Certificate and the form of subscription are being forwarded by mail, registered mail must be employed.

U.S. ACCREDITED INVESTOR STATUS CERTIFICATE

In connection with the exercise of certain outstanding warrants of **BODY AND MIND INC.** (the “**Company**”) by the Warrantholder, the Warrantholder hereby represents and warrants to the Company that the Warrantholder, and each beneficial owner (each a “**Beneficial Owner**”), if any, on whose behalf the Warrantholder is exercising such warrants, satisfies one or more of the following categories of Accredited Investor (**please write “W/H” for the undersigned Warrantholder, and “B/O” for each beneficial owner, if any, on each line that applies**):

- _____ (1) Any bank as defined in Section 3(a)(2) of the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; any investment company registered under the U.S. Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the U.S. Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of US\$5,000,000; any employee benefit plan within the meaning of the U.S. Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US\$5,000,000, or, if a self-directed plan, with investment decisions made solely by persons that are “accredited investors” (as such term is defined in Rule 501 of Regulation D of the U.S. Securities Act);

 - _____ (2) Any private business development company as defined in Section 202(a)(22) of the U.S. Investment Advisers Act of 1940;

 - _____ (3) Any organization described in Section 501(c)(3) of the U.S. Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US\$5,000,000;

 - _____ (4) Any trust with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person (being defined as a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment);
-

- _____ (5) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase, exceeds US\$1,000,000 (for the purposes of calculating net worth, (i) the person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of this certification, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of this certification exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability);
- _____ (6) A natural person who had annual gross income during each of the last two full calendar years in excess of US\$200,000 (or together with his or her spouse in excess of US\$300,000) and reasonably expects to have annual gross income in excess of US\$200,000 (or together with his or her spouse in excess of US\$300,000) during the current calendar year, and no reason to believe that his or her annual gross income will not remain in excess of US\$200,000 (or that together with his or her spouse will not remain in excess of US\$300,000) for the foreseeable future;
- _____ (7) Any director or executive officer of the Company; or
- _____ (8) Any entity in which all of the equity owners meet the requirements of at least one of the above categories (*if this alternative is selected you must identify each equity owner and provide statements for each demonstrating how they qualify as an accredited investor*).
- _____
-

Schedule B

FORM OF TRANSFER

**TO BE EXECUTED BY THE REGISTERED HOLDER TO TRANSFER THIS WARRANT TO
PURCHASE COMMON SHARES ISSUED ON MAY 17, 20197
(THE "WARRANT")**

To: Body and Mind Inc. (the "Corporation")

FOR VALUE RECEIVED, the undersigned (the "Transferor") hereby sells, assigns and transfers unto _____ (the "Transferee") _____ Warrants exercisable for common shares of the Corporation registered in the name of the Transferor on the register of the Corporation.

The Transferor hereby directs that the Warrants hereby transferred be issued and delivered as follows:

NAME IN FULL	ADDRESS	NUMBER OF WARRANTS

The Transferor irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Body and Mind Inc., maintained for the purpose, with full power of substitution in the premises.

The undersigned hereby certifies that (check either A or B, as applicable):

- ___ (A) if the Transferee is (i) a U.S. person, (ii) a person in the United States, or (ii) a person who is acting for the account or benefit of a U.S. person or a person in the United States, the transfer of the Warrants is being completed pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws, in which case the Transferor has delivered or caused to be delivered a written opinion of U.S. legal counsel or recognized standing in form and substance reasonably acceptable to the Corporation and the transfer agent to such effect; OR
- ___ (B) the transfer of the Warrants is being made outside the United States in accordance with Rule 904 of Regulation S ("Regulation S") under the U.S. Securities Act, and in compliance with all local laws and regulations, and the undersigned has delivered or caused to be delivered an opinion of counsel of recognized standing in form and substance satisfactory to the Corporation and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S and in accordance will all local laws and regulations.

"United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

DATED this _____ day of _____, 20__.

Signature of Transferor guaranteed by:

**Medallion Signature Guarantee
Stamp of Transferor**

Signature of Transferor

Authorized Officer

(print name of Transferor)

Name of Institution

(if applicable, print name of signatory and office)

Address of Transferor

INSTRUCTIONS FOR TRANSFER:

1. The signature of the Holder must be the signature of the person appearing on the face of this Warrant Certificate in every particular without any changes whatsoever.
2. If the Transfer Form is signed on behalf of a corporation, partnership, association, or by an agent, trustee, executor, administrator, curator, guardian, attorney or any person acting in a judicial or representative capacity, the certificate must be accompanied by evidence of authority to sign satisfactory to the Corporation.
3. The signature on the Transfer Form must be guaranteed by one of the following methods:

In Canada and the US: a **Medallion Guarantee** obtained from a member of an acceptable Medallion Guarantee Program (STAMP,SEMP or MSP). Many banks, credit unions and broker dealers are members of a Medallion Guarantee Program. The guarantor must affix a stamp in the space above bearing the actual words "Medallion Guaranteed".

In Canada: a **Signature Guarantee** obtained from a major Canadian Schedule I bank that is not a member of a Medallion Guarantee Program. The guarantor must affix a stamp in the space above bearing the actual words "Signature Guaranteed".

Outside Canada and the US: Holders must obtain a guarantee from a local financial institution that has a corresponding affiliate in Canada or the US that is a member of an acceptable Medallion Guarantee Program. The corresponding affiliate must overguarantee the guarantee provided by the local financial institution.

4. Warrants shall only be transferable in accordance with all applicable laws.

TRANSFeree ACKNOWLEDGMENT

The undersigned transferee (the “**Transferee**”) acknowledges and agrees that the Warrants may not be offered, sold, pledged or otherwise transferred in the absence of: (a) an effective registration statement under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) and the applicable laws of any such state, relating thereto; or (b) an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Each Warrant Certificate, and each certificate representing Common Shares issuable upon exercise thereof, shall contain legends on the face thereof, in the appropriate form, setting forth the restrictions on transfer referred to in the Warrant Certificate, unless in the opinion of counsel for the holder thereof (which is in form and substance satisfactory to the Corporation and its transfer agent), the securities represented thereby are not, at such time, required by law to bear such legend, or in the case of the Common Shares, are transferred pursuant to an effective registration statement under the U.S. Securities Act and the applicable state securities laws. The holder acknowledges and agrees that the Warrants represented by this Warrant Certificate, and the Common Shares issuable upon exercise thereof, constitute “restricted securities” under the U.S. Securities Act.

If the Transferee acquires the Warrants pursuant to a resale transaction pursuant to Rule 904 of Regulation S under the U.S. Securities Act, then the Transferee acknowledges that the Warrants still continue to be deemed restricted securities and will continue to bear restrictive legends.

Any certificate issued at any time in exchange or substitution for any certificate bearing restrictive legends shall also bear such legends unless in the opinion of counsel for the holder thereof (which is in form and substance satisfactory to the Corporation and its transfer agent), the securities represented thereby are not, at such time, required by law to bear such legends.

The Transferee acknowledges that it shall notify the Corporation prior to any exercise or deemed exercise of the Warrants if the representations, warranties and certifications contained in the Form of Transfer are no longer true and correct.

Dated the ___ day of _____, 20__.

In the presence of:

(Signature of Transferee)

(Witness)

(Name of Transferee – Please print)

(Name of Witness – Please print)

(Name and Capacity of Authorized Representative – please print)

The Warrants and the Common Shares issuable upon exercise of the Warrants shall only be transferable in accordance with all applicable laws. The Warrants may only be exercised in the manner required by the Warrant Certificate and the subscription form attached thereto. Any securities acquired pursuant to this exercise of Warrants shall be subject to applicable hold periods and any certificate representing such securities may bear restrictive legends.

BROKER WARRANT CERTIFICATE

THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE SEPTEMBER 18, 2019.

THESE BROKER WARRANTS MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A PERSON IN THE UNITED STATES OR A U.S. PERSON UNLESS THESE BROKER WARRANTS AND THE SECURITIES DELIVERABLE UPON EXERCISE OF THESE BROKER WARRANTS HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATIONS UNDER THE U.S. SECURITIES ACT.

THE BROKER WARRANTS EVIDENCED BY THIS CERTIFICATE ARE EXERCISABLE AT ANY TIME AND FROM TIME TO TIME UNTIL 5:00 P.M. (PACIFIC TIME) ON MAY 17, 2023, AFTER WHICH TIME THEY SHALL EXPIRE AND BE OF NO VALUE AND OF NO FURTHER FORCE OR EFFECT.

Broker Warrant Certificate No. BW-2019-[●]

Broker Warrants to

acquire [●]Units

BROKER WARRANTS TO PURCHASE UNITS

OF

BODY AND MIND INC.

(a corporation existing under the laws of the State of Nevada)

THIS BROKER WARRANT IS NON-TRANSFERABLE

THIS CERTIFIES that, for value received, [●] (the "**Holder**"), is the registered holder of [●] broker warrants (the "**Broker Warrants**") each of which entitles the Holder, subject to the terms and conditions set forth in this Broker Warrant Certificate, to purchase from Body and Mind Inc. (the "**Company**"), one unit of the Company (a "**Unit**") consisting of one common share (a "**Common Share**") in the capital of the Company and one common share purchase warrant (a "**Warrant**") of the Company, at any time prior to 5:00 p.m. (Pacific time) (the "**Time of Expiry**") on May 17, 2023 (the "**Expiry Date**") on payment of CAD\$1.25 per Unit (the "**Exercise Price**"). Each Warrant entitles the Holder to purchase one Common Share at an exercise price of \$1.50 at any time prior to 5:00 p.m. (Pacific time) on May 17, 2023. The Warrants issuable upon exercise of the Broker Warrants evidenced by this Broker Warrant Certificate shall be governed by the terms of a warrant certificate (the "**Warrant Certificate**"). The number of Units which the Holder is entitled to acquire upon exercise of the Broker Warrants and the Exercise Price are subject to adjustment as hereinafter provided.

1. Exercise of Broker Warrants

- (a) Election to Exercise. The rights evidenced by this Broker Warrant Certificate may be exercised by the Holder in whole or in part and in accordance with the provisions hereof by delivery of an Election to Exercise in substantially the form attached hereto as Schedule "A", properly completed and executed, together with payment of the Exercise Price multiplied by the number of Units specified in the Election to Exercise (the "**Aggregate Exercise Price**") by bank draft or certified cheque payable to or to the order of the Company at the office of the Company, at 750 – 1095 West Pender Street, Vancouver, British Columbia or such other address in Canada as the Holder may be notified of in writing by the Company. In the event that the rights evidenced by this Broker Warrant Certificate are exercised in part, the Company shall, contemporaneously with the issuance of the Common Shares and Warrants issuable on the exercise of the Broker Warrants so exercised, issue to the Holder a Broker Warrant Certificate on identical terms in respect of that number of Units in respect of which the Holder has not exercised the rights evidenced by this Broker Warrant Certificate.
 - (b) Exercise. The Company shall, as promptly as practicable after it receives a duly executed Election to Exercise and funds equal to the Aggregate Exercise Price by bank draft or certified cheque payable to or to the order of the Company for the number of Units specified in the Election to Exercise (the "**Exercise Date**"), issue that number of Common Shares and Warrants specified in the Election to Exercise (in the case of the Common Shares, as fully paid and non-assessable shares).
 - (c) Share and Warrant Certificates. As promptly as practicable after the Exercise Date and, in any event, within three business days of receipt of the Election to Exercise, the Company shall cause to be issued and delivered to the Holder, registered in such name or names as the Holder may direct or if no such direction has been given, in the name of the Holder, certificates for the number of Common Shares and Warrants comprising the Units specified in the Election to Exercise. To the extent permitted by law, such exercise shall be deemed to have been effected as of the close of business on the Exercise Date, and at such time the rights of the Holder with respect to the number of Broker Warrants which have been exercised as such shall cease, and the person or persons in whose name or names any share or warrant certificates shall then be issuable upon such exercise shall be deemed to have become the holder or holders of record of the Common Shares and Warrants represented thereby.
 - (d) Fractional Common Shares and Warrants. No fractional Common Shares or Warrants comprising Units shall be issued upon exercise of the Broker Warrants and no payments or adjustments shall be made upon any such exercise on account of any cash dividends previously paid in the ordinary course on the Common Shares or the Warrants issued upon such exercise, and in such case, the number of Common Shares or Warrants issuable upon the exercise of any Broker Warrants shall be rounded down to the nearest whole number.
-

- (e) Corporate Changes. If, prior to the Time of Expiry on the Expiry Date, the Company shall be a party to any reorganization, merger, amalgamation, dissolution or sale of all or substantially all of its assets (the “**Event**”), whether or not the Company is the surviving entity, upon exercise by the Holder thereafter of its right to receive Common Shares pursuant to the unexercised Broker Warrant Certificate immediately prior to the Event, the Holder shall be entitled to receive, and shall accept in lieu of the number of Common Shares to which the Holder was entitled to receive upon such exercise prior to the occurrence of the Event, the aggregate number of shares, other securities or property resulting from the Event which such Holder would have been entitled to receive as a result of such Event if, on the effective date thereof, the Holder had been the registered holder of the number of Common Shares to which the Holder was entitled to receive upon exercise of the Broker Warrants represented by this Broker Warrant Certificate prior to such Event and for the same aggregate consideration that would have been payable therefor.
- (f) Subdivision or Consolidation of Shares.
- (i) In the event that prior to the Time of Expiry on the Expiry Date, the Company shall subdivide its outstanding Common Shares into a greater number of Common Shares or issue any Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend (other than any stock dividends constituting dividends paid in the ordinary course), the Exercise Price in effect immediately prior to such subdivision or dividend shall be proportionately reduced, and conversely, in case the outstanding Common Shares shall be consolidated into a smaller number of Common Shares, the Exercise Price in effect immediately prior to such consolidation shall be proportionately increased (any such subdivision, dividend or consolidation being hereinafter referred to as a “**Capital Reorganization**”).
- (ii) Upon each adjustment of the Exercise Price in paragraph 1(f)(i) above, the Holder shall thereafter be entitled to acquire, at the Exercise Price resulting from such adjustment, the number of Common Shares (calculated to the nearest tenth of a Common Share) obtained by multiplying the Exercise Price in effect immediately prior to such adjustment by the number of Common Shares which may be acquired hereunder immediately prior to such adjustment and dividing the product thereof by the Exercise Price resulting from such adjustment.
- (g) Change or Reclassification of Common Shares. In the event that, prior to the Time of Expiry on the Expiry Date, the Company shall change or reclassify its outstanding Common Shares into a different class of securities, the rights evidenced by this Broker Warrant Certificate shall be adjusted as follows so as to apply to the successor class of securities:
- (i) the number of the successor class of securities which the Holder shall be entitled to acquire as part of the Units shall be that number of the successor class of securities which a holder of that number of Common Shares subject to the unexercised Broker Warrants immediately prior to the change or reclassification would have been entitled to by reason of such change or reclassification; and
- (ii) the Exercise Price shall be determined by multiplying the Exercise Price in effect immediately prior to the change or reclassification by the number of Common Shares subject to the unexercised Broker Warrants immediately prior to the change or reclassification, and dividing the product thereof by the number of Common Shares determined in paragraph 1(g)(i) hereof.
-

- (h) Offering to Shareholders. In the event that, prior to the Time of Expiry on the Expiry Date, the Company shall fix a record date or if a date of entitlement to receive is otherwise established (any such date being hereinafter referred to in this paragraph 1(h) as the “**record date**”) for the issuance of rights, options or warrants to all or substantially all the holders of the outstanding Common Shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase Common Shares or securities convertible into or exchangeable for Common Shares at a price per share or, as the case may be, having a conversion or exchange price per share less than 95% of the Current Market Value (as defined herein) on such record date (any such event being hereinafter referred to as a “**Rights Offering**”), the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number equal to the number arrived at by dividing the aggregate subscription or purchase price of the total number of additional Common Shares offered for subscription or purchase or, as the case may be, the aggregate conversion or exchange price of the convertible or exchangeable securities so offered by such Current Market Value, and the denominator of which shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares so offered (or, as the case may be, into which the convertible or exchangeable securities so offered are convertible or exchangeable). Any Common Shares owned by or held for the account of the Company or any subsidiary of the Company shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed. To the extent that any rights or warrants are not so issued or any such rights or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon the number of Common Shares or conversion or exchange rights contained in convertible or exchangeable securities actually issued upon the exercise of such rights or warrants, as the case may be.
- (i) Special Distribution. In the event that, prior to the Time of Expiry on the Expiry Date, the Company shall fix a record date (hereinafter referred to in this paragraph 1(i) as the “**record date**”) for the distribution to all or substantially all the holders of the outstanding Common Shares of:
- (a) shares of any class, whether of the Company or any other corporation;
 - (b) rights, options or warrants to acquire Common Shares or securities exchangeable for or convertible into Common Shares;
 - (c) evidences of indebtedness; or
 - (d) other assets or property;

and if such distribution does not constitute (A) a Capital Reorganization, (B) a Rights Offering, or (C) a dividend paid in the ordinary course (any such non-excluded event being hereinafter referred to as a “**Special Distribution**”) the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction: (A) the numerator of which shall be the amount by which (1) the amount obtained by multiplying the number of Common Shares outstanding on such record date by the Current Market Value on such record date, exceeds (2) the fair market value (as reasonably determined by the directors of the Company in good faith, which determination shall be conclusive) to the holders of such shares of such Special Distribution; and (B) the denominator of which shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Value. Any Common Shares owned by or held for the account of the Company or any subsidiary of the Company shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment shall be made successively whenever such a record date is fixed. To the extent that such Special Distribution is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued.

- (j) Carry Over of Adjustments. No adjustment of the Exercise Price shall be made if the amount of such adjustment shall be less than 1% of the Exercise Price in effect immediately prior to the event giving rise to the adjustment, provided, however, that in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which, together with any adjustment so carried forward, shall amount to at least 1% of the Exercise Price.
- (k) Adjustment to Number of Common Shares. If any adjustment in the Exercise Price shall occur as a result of: (A) the fixing by the Company of a record date for an event referred to in paragraph 1(h); or (B) the fixing by the Company of a record date for an event referred to in either of paragraph 1(i)(a) or paragraph 1(i)(b), then the number of Common Shares issuable upon any subsequent exercise of a Broker Warrant shall be simultaneously adjusted by multiplying the number of Common Shares issuable upon the exercise of a Broker Warrant immediately prior to such adjustment by a fraction which shall be the reciprocal of the fraction employed in the adjustment of the Exercise Price. To the extent that any adjustment in subscription rights occurs pursuant to this paragraph 1(k) as a result of the fixing by the Company of a record date for the distribution of rights, options or warrants referred to in paragraph 1(h), the number of Common Shares issuable upon exercise of a Broker Warrant shall be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the number of Common Shares which would be issuable based upon the number of shares actually issued immediately after such expiration, and shall be further readjusted in such manner upon expiration of any further such right. To the extent that any adjustment in subscription rights occurs pursuant to this paragraph 1(k) as a result of the fixing by the Company of a record date for the distribution of exchangeable or convertible securities or rights, options or warrants referred to in paragraph 1(i), the number of Common Shares issuable upon exercise of the Broker Warrant shall be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the number which would be purchasable pursuant to this paragraph 1(k) if the fair market value of such securities or such rights, options or warrants had been determined for purposes of the adjustment pursuant to this subsection on the basis of the number of shares issued immediately after such expiration.
- (l) Notice of Adjustment. Upon any adjustment of the number of Common Shares issuable upon exercise of the Broker Warrants evidenced by this Broker Warrant Certificate and upon any adjustment of the Exercise Price, then and in each such case the Company shall give written notice thereof to the Holder, which notice shall state the Exercise Price and the number of Common Shares partially comprising the Units or other securities issuable upon exercise of the Broker Warrants evidenced by this Broker Warrant Certificate resulting from such adjustment, and shall set forth in reasonable detail the method of calculation and the facts upon which such calculation is based.
- (m) Other Notices. In case at any time prior to the Time of Expiry on the Expiry Date:
- (i) the Company shall declare any dividend upon its shares payable in Common Shares;
 - (ii) the Company shall offer for subscription *pro rata* to the holders of its Common Shares any additional shares of any class or other rights, options or warrants;
 - (iii) there shall be any capital reorganization or reclassification of the capital stock of the Company, or consolidation, amalgamation or merger of the Company with, or sale of all or substantially all of its assets to, another corporation; or
 - (iv) there shall be a voluntary or involuntary dissolution, liquidation or winding-up of the Company,
-

then, in any one or more of such cases, the Company shall give to the Holder (A) at least 10 days' prior written notice of the date on which a record date shall be taken for such dividend, distribution or subscription rights or for determining rights to vote in respect of any such reorganization, reclassification, consolidation, merger, amalgamation, sale, dissolution, liquidation or winding-up and (B) in the case of any such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up, at least 10 days' prior written notice of the date when the same shall take place. Such notice in accordance with the foregoing clause (A) shall also specify, in the case of any such dividend, distribution or subscription rights, the date on which the holders of common shares shall be entitled thereto, and such notice in accordance with the foregoing clause (B) shall also specify the date on which the holders of Common Shares shall be entitled to exchange their shares for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, amalgamation, sale, dissolution, liquidation or winding-up, as the case may be.

- (n) Adjustments to Warrants. All adjustments in connection with the Warrants partially comprising the Units (including the number of Common Shares issuable upon the exercise of such Warrants) shall be made in accordance with the terms and conditions of the Warrant Indenture, and any such adjustments shall be made from and including the date of issuance of this Broker Warrant Certificate (regardless of the actual date of issuance of such Warrants).
 - (o) Common Shares and Warrants to be Reserved. The Company will at all times keep available, and reserve if necessary, out of its authorized shares, solely for the purpose of issue upon the exercise of the Broker Warrants, such number of Common Shares and Warrants as shall then be issuable upon the exercise of the Broker Warrants. The Company covenants and agrees that all Common Shares issuable upon exercise of Broker Warrants (including any Common Shares issuable upon exercise of the Warrants) will, upon issuance, be duly authorized and issued as fully paid and non-assessable shares of the Company. The Company will take all such actions as may be necessary to ensure that all such Common Shares may be so issued without violation of any applicable requirements of any exchange upon which the shares of the Company may be listed. The Company will take all such actions as are within its power to ensure that all such Common Shares and Warrants may be so issued without violation of any applicable law.
 - (p) Issue Tax. The issuance of certificates for Common Shares and Warrants upon the exercise of Broker Warrants shall be made without charge to the Holder, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the Holder.
 - (q) Listing. The Company will, at its expense and as expeditiously as possible, use its commercially reasonable efforts to cause all Common Shares issuable upon the exercise of the Broker Warrants (including any Common Shares issuable upon exercise of the Warrants) to be duly listed on the Canadian Securities Exchange or any stock exchange upon which the shares of the Company may be then listed prior to the issuance of such Common Shares.
 - (r) Current Market Value. For the purposes of any computation hereunder, the "**Current Market Value**" at any date shall be the weighted average trading price per share for the Common Shares for the 20 consecutive trading days ending not less than five trading days immediately before such date on the Canadian Securities Exchange or such other stock exchange on which the Common Shares may then be listed, or, if the Common Shares or any other security in respect of which a determination of Current Market Value is being made are not listed on any stock exchange, the Current Market Value shall be determined by the directors, acting reasonably and in good faith, which determination shall be conclusive. The weighted average price shall be determined by dividing the aggregate trading price of all such shares sold on the said exchange during the said 20 consecutive trading days by the total number of such shares so sold.
-

- (s) Mutatis Mutandis. No adjustment in the Exercise Price or in the number or kind of securities purchasable on the exercise of this Broker Warrant shall be made in respect of any event described in this Section 1 if the Holder is entitled to participate in such event on the same terms mutatis mutandis as if the Holder had exercised the unexercised Broker Warrants prior to or on the record date or effective date, as the case may be, of such event.

2. Replacement

Upon receipt of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of this Broker Warrant Certificate and, if requested by the Company, upon delivery of a bond of indemnity satisfactory to the Company (or, in the case of mutilation, upon surrender of this Broker Warrant Certificate), the Company will issue to the Holder a replacement certificate containing the same terms and conditions as this Broker Warrant Certificate.

3. Expiry Date

The Broker Warrants shall expire and all rights to purchase Units hereunder shall cease and become null and void at the Time of Expiry on the Expiry Date.

4. Covenant

So long as any Broker Warrants remain outstanding, the Company covenants that it shall do or cause to be done all things necessary to maintain its corporate existence, provided that nothing herein shall prevent the Company from completing any corporate change contemplated in Section 1(e).

5. Inability to Deliver Common Shares or Warrants

If for any reason, other than the failure or default of the Holder, the Company is unable to issue and deliver the Common Shares, Warrants or other securities as contemplated herein to the Holder upon the proper exercise by the Holder of the right to purchase any of the Units covered by this Broker Warrant Certificate, the Company may pay, at its option and in complete satisfaction of its obligations hereunder, to the Holder, in cash, an amount equal to the difference between the Exercise Price and the Current Market Value of such Units or other securities on the Exercise Date.

6. Resale Restrictions, Legending of Certificates

Any Common Shares and Warrants (including any Common Shares issued upon exercise of the Warrants) issued upon exercise of these Broker Warrants prior to September 18, 2019 will bear the following legend:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE SEPTEMBER 18, 2019.”

If the Holder is a U.S. Person or exercising the Broker Warrants for the account or benefit of a U.S. Person, or a person in the United States, then the Holder also acknowledges and understands that the certificates representing the Common Shares and Warrants will be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner in the United States:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE [*for Warrants add: AND THE SECURITIES ISSUABLE HEREUNDER*] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.”;

If the Holder is outside of the United States and is not (A) a U.S. Person, or (B) exercising the Broker Warrants for the account or benefit of a U.S. Person, or a person in the United States, then the Holder also acknowledges and understands that the certificates representing the Common Shares and Warrants will be required to be stamped with the following legend (or substantially equivalent language) restricting transfer in the following manner:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE [*for Warrants add: AND THE SECURITIES ISSUABLE HEREUNDER*] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES REPRESENTED BY THE CERTIFICATE CANNOT BE THE SUBJECT OF HEDGING TRANSACTIONS UNLESS SUCH TRANSACTIONS ARE CONDUCTED IN COMPLIANCE WITH THE U.S. SECURITIES ACT.”;

provided, however, if any Common Shares or Warrants are being sold, the legend may be removed by delivery to the Company’s registrar and transfer agent and the Company of an opinion of counsel, of recognized standing reasonably satisfactory to the Company that such legend is no longer required under applicable requirements of the United States Securities Act of 1933, as amended or state securities laws.

The Holder understands and acknowledges that in addition to the legends set forth above, the Warrant Certificates will also bear a legend in substantially the following form:

“THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON OR A PERSON IN THE UNITED STATES UNLESS THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED BY REGULATIONS UNDER THE U.S. SECURITIES ACT.”

7. Limitations on Transfer

The Broker Warrants are non-transferable and non-assignable.

8. Not a Shareholder

Nothing in this Broker Warrant Certificate or in the holding of a Broker Warrant evidenced hereby shall be construed as conferring upon the Holder any right or interest whatsoever as a shareholder of the Company.

9. Governing Law

The laws of the State of Nevada shall govern the Broker Warrants. Any and all disputes arising under this Broker Warrant Certificate, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the State of Nevada and the Holder shall be deemed to have irrevocably attorned to the jurisdiction of the courts of such State.

10. Severability

If any one or more of the provisions or parts thereof contained in this Broker Warrant Certificate should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom.

11. Headings

The headings of the sections, subsections and clauses of this Broker Warrant Certificate have been inserted for convenience and reference only and do not define, limit, alter or enlarge the meaning of any provision of this Broker Warrant Certificate.

12. Numbering of Sections, etc.

Unless otherwise stated, a reference herein to a numbered or lettered section, subsection, clause, subclause or schedule refers to the section, subsection, clause, subclause or schedule bearing that number or letter in this Broker Warrant Certificate.

13. Gender

Whenever used in this Broker Warrant Certificate, words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender.

14. Day not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a business day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a business day.

15. Notice

Unless herein otherwise expressly provided, a notice to be given hereunder will be deemed to be validly given if the notice is sent by telecopier, email transmission or prepaid same day courier addressed as follows:

If to the Holder at the latest address of the Holder as recorded on the books of the Company; and

If to the Company at:

Body and Mind Inc.
750 – 1095 West Pender Street
Vancouver, British Columbia

Attention: **Darren Tindale**

Email: **Stonerockltd@gmail.com**

16. Successors

This Certificate shall enure to the benefit of and shall be binding upon the Holder and the Company and their respective successors.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the Company has caused this Broker Warrant Certificate to be signed by its duly authorized officer.

DATED as of May 17, 2019.

BODY AND MIND INC.

Per: _____
Authorized Signing Officer

SCHEDULE "A"
ELECTION TO EXERCISE

Capitalized terms used herein have the meanings ascribed thereto in the Broker Warrant Certificate (the "**Certificate**") to which this schedule is attached.

The undersigned Holder hereby irrevocably elects to exercise the Broker Warrants granted by the Company pursuant to the Certificate for the number of Units (or other property or securities contemplated in the Certificate) as set forth below:

- (a) Number of Units to be acquired _____
- (b) Subscription Price (per Unit) \$ _____
- (c) Aggregate Subscription Price \$ _____

The Holder hereby tenders a certified cheque, bank draft or cash for such aggregate Subscription Price and directs the Common Shares and Warrants to be registered and certificates therefor to be issued as directed below.

As at the time of exercise hereunder, the undersigned Holder represents, warrants and certifies as follows (check one):

- (A) the undersigned Holder at the time of exercise of the Broker Warrant is not in the United States, is not a "U.S. person" as defined in Regulation S under the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), and is not exercising the Broker Warrant for the account or benefit of a U.S. person or a person in the United States (as defined in Regulation S), and did not execute or deliver this subscription form in the United States; OR
- (B) the undersigned Holder is resident in the United States, is a U.S. person, or is exercising the Broker Warrant for the account or benefit of a U.S. person or a person in the United States (a "**U.S. Holder**"), and is an "accredited investor", as defined in Rule 501(a) of Regulation D under the U.S. Securities Act (a "**U.S. Accredited Investor**"), **and has completed the U.S. Accredited Investor Status Certificate in the form attached to this subscription form**; OR
- (C) if the undersigned Holder is a U.S. Holder, the undersigned Holder has delivered to the Company and the Company's transfer agent, if applicable, an opinion of counsel (which will not be sufficient unless it is in form and substance satisfactory to the Company) or such other evidence satisfactory to the Company to the effect that with respect to the common shares and warrants to be delivered upon exercise of the Broker Warrant, the issuance of such securities has been registered under the U.S. Securities Act and applicable state securities laws, or an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available.

"**United States**" and "**U.S. person**" are as defined in Rule 902 of Regulation S under the U.S. Securities Act ("**Regulation S**").

If the undersigned has checked box (A) immediately above the undersigned:

- (a) agrees not to engage in hedging transactions with regard to the Common Shares and Warrants prior to the expiration of the six-month distribution compliance period set forth in Rule 903(b)(3) of Regulation S;
- (b) acknowledges that the Common Shares and Warrants issuable upon exercise of the Broker Warrants are “restricted securities” as defined in Rule 144 of the U.S. Securities Act, and upon the issuance thereof, and until such time as the same is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws and regulations, the certificates representing the Common Shares and Warrants shall bear the applicable restrictive legends substantially in the forms set forth in sections 10.2 and 10.3 of the Broker Warrant Certificate, as applicable;
- (c) agrees not to resell the Common Shares and Warrants except (i) pursuant to registration under the U.S. Securities Act and any applicable state securities laws, (ii) pursuant to an available exemption from registration under the U.S. Securities Act and any applicable state securities laws, or (iii) pursuant to the provisions of Regulation S of the U.S. Securities Act; and
- (d) subject to compliance with the Company’s constating documents and any other applicable agreements between the undersigned and the Company, the undersigned acknowledges that the Company shall refuse to register any transfer of the Common Shares and Warrants not made in accordance with the provisions of Regulation S, pursuant to registration under the U.S. Securities Act and any applicable state securities laws, or pursuant to an available exemption from registration under the U.S. Securities Act and any applicable state securities laws.

Note: Certificates representing Common Shares and Warrants will not be registered or delivered to an address in the United States unless box (B) or (C) immediately above is checked.

If the undersigned Holder has indicated that the undersigned Holder is a U.S. Accredited Investor by marking box (B) above, the undersigned Holder additionally represents and warrants to the Company that:

1. the undersigned Holder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Common Shares and Warrants, and the undersigned is able to bear the economic risk of loss of his or her entire investment;
 2. the undersigned is: (i) purchasing the Common Shares and Warrants for his or her own account or for the account of one or more U.S. Accredited Investors with respect to which the undersigned is exercising sole investment discretion, and not on behalf of any other person; (ii) is purchasing the Common Shares and Warrants for investment purposes only and not with a view to resale, distribution or other disposition in violation of United States federal or state securities laws; and (iii) in the case of the purchase by the undersigned of the Common Shares and Warrants as agent or trustee for any other person or persons (each a “Beneficial Owner”), the undersigned Holder has due and proper authority to act as agent or trustee for and on behalf of each such Beneficial Owner in connection with the transactions contemplated hereby; provided that: (x) if the undersigned Holder, or any Beneficial Owner, is a corporation or a partnership, syndicate, trust or other form of unincorporated organization, the undersigned Holder or each such Beneficial Owner was not incorporated or created solely, nor is it being used primarily to permit purchases without a prospectus or registration statement under applicable law; and (y) each Beneficial Owner, if any, is a U.S. Accredited Investor; and
-

3. the undersigned has not exercised the Broker Warrants as a result of any form of general solicitation or general advertising (as such terms are used in Rule 502 of Regulation D under the U.S. Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio, television, the Internet or other form of telecommunications, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

If the undersigned has indicated that the undersigned is a U.S. Accredited Investor by marking box (B) above, the undersigned also acknowledges and agrees that:

1. the Company has provided to the undersigned the opportunity to ask questions and receive answers concerning the terms and conditions of the offering, and the undersigned has had access to such information concerning the Company as the undersigned has considered necessary or appropriate in connection with the undersigned's investment decision to acquire the Common Shares and Warrants;
2. if the undersigned decides to offer, sell or otherwise transfer any of the Common Shares or Warrants, the undersigned must not, and will not, offer, sell or otherwise transfer any of such Common Shares or Warrants directly or indirectly, unless:
 - (a) the sale is to the Company;
 - (b) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations;
 - (c) the sale is made pursuant to the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or "blue sky" laws; or
 - (d) the Common Shares and Warrants are sold in a transaction that does not require registration under the U.S. Securities Act or any applicable state laws and regulations governing the offer and sale of securities,

and in the case of (c) and (d) above, it has prior to such sale furnished to the Company and the Company's registrar and transfer agent an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company and the Company's registrar and transfer agent;

3. the Common Shares and Warrants are "restricted securities" under applicable federal securities laws and that the U.S. Securities Act and the rules of the United States Securities and Exchange Commission provide in substance that the undersigned may dispose of the Common Shares and Warrants only pursuant to an effective registration statement under the U.S. Securities Act or an exemption therefrom;
 4. the Company has no obligation to register any of the Common Shares and Warrants;
 5. the certificates representing the Common Shares and Warrants (and any certificates issued in exchange or substitution for therefor) will bear a legend stating that such securities have not been registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered for sale or sold unless registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or unless an exemption from such registration requirements is available;
-

6. the legend may be removed by delivery to the Company's registrar and transfer agent and the Company of an opinion of counsel, of recognized standing reasonably satisfactory to the Company, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws;
7. there may be material tax consequences to the undersigned of an acquisition or disposition of the Common Shares and Warrants;
8. the Company gives no opinion and makes no representation with respect to the tax consequences to the undersigned under United States, state, local or foreign tax law of the undersigned's acquisition or disposition of any Common Shares and Warrants;
8. funds representing the subscription price for the Common Shares and Warrants which will be advanced by the undersigned to the Company upon exercise of the Broker Warrants will not represent proceeds of crime for the purposes of the United States *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (the "**PATRIOT Act**"), and the undersigned acknowledges that the Company may in the future be required by law to disclose the undersigned's name and other information relating to this exercise form and the undersigned's subscription hereunder, on a confidential basis, pursuant to the PATRIOT Act. No portion of the subscription price to be provided by the undersigned (i) has been or will be derived from or related to any activity that is deemed criminal under the laws of the United States of America, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity who has not been identified to or by the undersigned, and it shall promptly notify the Company if the undersigned discovers that any of such representations ceases to be true and provide the Company with appropriate information in connection therewith; and
10. the undersigned consents to the Company making a notation on its records or giving instructions to any transfer agent of the Company in order to implement the restrictions on transfer set forth and described in this subscription form or the Broker Warrant Certificate.

In the absence of instructions to the contrary, the securities or other property will be issued in the name of or to the Holder hereof and will be sent by first class mail to the last address of the Holder appearing on the register maintained for the Broker Warrants.

DATED this _____ day of _____, 20__.

In the presence of:

Signature of Witness

Signature of Holder

Witness's Name

Name and Title of Authorized Signatory for the Holder

Please print below your name and address in full.

Legal
Name

Address

INSTRUCTIONS FOR SUBSCRIPTION

The signature to the subscription must correspond in every particular with the name written upon the face of the Broker Warrant Certificate without alteration. If the certificates representing the Common Shares and Warrants to be issued upon exercise of the Broker Warrants differs from the registration of the Broker Warrant Certificates the signature of the registered Holder must be guaranteed by an authorized officer of a Canadian chartered bank, or of a major Canadian trust company, or by a medallion signature guarantee from a member recognized under the Signature Medallion Guarantee Program, or from a similar entity in the United States, if this transfer is executed in the United States, or in accordance with industry standards

In the case of persons signing by agent or attorney or by personal representative(s), the authority of such agent, attorney or representative(s) to sign must be proven to the satisfaction of the Company.

If the Broker Warrant Certificate and the form of subscription are being forwarded by mail, registered mail must be employed.

U.S. ACCREDITED INVESTOR STATUS CERTIFICATE

In connection with the exercise of certain outstanding warrants of **BODY AND MIND INC.** (the "**Company**") by the Holder, the Holder hereby represents and warrants to the Company that the Holder, and each beneficial owner (each a "**Beneficial Owner**"), if any, on whose behalf the Holder is exercising such warrants, satisfies one or more of the following categories of Accredited Investor (**please write "W/H" for the undersigned Holder, and "B/O" for each beneficial owner, if any, on each line that applies**):

- _____ (1) Any bank as defined in Section 3(a)(2) of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; any investment company registered under the U.S. Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the U.S. Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of US\$5,000,000; any employee benefit plan within the meaning of the U.S. Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US\$5,000,000, or, if a self-directed plan, with investment decisions made solely by persons that are "accredited investors" (as such term is defined in Rule 501 of Regulation D of the U.S. Securities Act);
- _____ (2) Any private business development company as defined in Section 202(a)(22) of the U.S. Investment Advisers Act of 1940;
- _____ (3) Any organization described in Section 501(c)(3) of the U.S. Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US\$5,000,000;
- _____ (4) Any trust with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person (being defined as a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment);
-

- _____ (5) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase, exceeds US\$1,000,000 (for the purposes of calculating net worth, (i) the person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of this certification, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of this certification exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability);
- _____ (6) A natural person who had annual gross income during each of the last two full calendar years in excess of US\$200,000 (or together with his or her spouse in excess of US\$300,000) and reasonably expects to have annual gross income in excess of US\$200,000 (or together with his or her spouse in excess of US\$300,000) during the current calendar year, and no reason to believe that his or her annual gross income will not remain in excess of US\$200,000 (or that together with his or her spouse will not remain in excess of US\$300,000) for the foreseeable future;
- _____ (7) Any director or executive officer of the Company; or
- _____ (8) Any entity in which all of the equity owners meet the requirements of at least one of the above categories (*if this alternative is selected you must identify each equity owner and provide statements for each demonstrating how they qualify as an accredited investor*).
- _____
-

LOCK-UP AGREEMENT

May _____, 2019

M Partners Inc.
70 York Street, Suite 1500
Toronto, Ontario
M5J 1S9

PI Financial Corp.
1900 – 666 Burrard Street
Vancouver, British Columbia
V6C 2N1

Ladies and Gentlemen:

The undersigned understands that Body and Mind Inc. (the “**Company**”) has entered into an agency agreement (“**Agency Agreement**”) with M Partners Inc. (the “**Lead Agent**”) and PI Financial Corp. (collectively with the Lead Agent, the “**Agents**” and each individually an “**Agent**”), pursuant to which the Agents agreed to offer units of the Company for sale on a commercially reasonable “best efforts” basis without underwriting liability (the “**Offering**”). The execution and delivery by the undersigned of this agreement (“**Lock-Up Letter Agreement**”) is a condition to the closing of the Offering.

In consideration of the foregoing and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby agrees not to, directly or indirectly, offer, pledge, sell or agree to sell, grant any option, right or warrant to purchase or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership (or announce any intention to do any of the foregoing), more than 10% of the undersigned’s common shares or securities convertible into, exchangeable for, or otherwise exercisable to acquire common shares or other equity securities of the Company (other than (i) the exercise of stock options and other similar issuances pursuant to the share incentive plans of the Company and other share compensation arrangements and (ii) the exercise of outstanding warrants, in either case, beneficially owned or controlled by the undersigned as of the date of hereof) (collectively, the “**Subject Securities**”) for a period of 120 days after the date hereof (the “**Lock-Up Period**”), without the prior written consent of the Lead Agent, such consent not to be unreasonably withheld or delayed. Notwithstanding the restrictions on transfers described above, during the Lock-Up Period, the undersigned may transfer the Subject Securities without the prior written consent of the Lead Agent, acting on behalf of the Agents, in connection with the tendering of the Subject Securities pursuant to a take-over bid (as defined in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*), or any other bona fide transaction, including, without limitation, a merger, amalgamation or arrangement, made to all holders of the Subject Securities and involving a change of control of the Company, provided that in the event the take-over bid or other transaction is not completed, the Subject Securities shall remain subject to the restrictions contained in this Lock-Up Letter Agreement. For avoidance of doubt, any common shares acquired by the undersigned pursuant to the exercise of options or warrants within the Lock-Up Period shall be subject to the above noted lock-up restrictions.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-up Letter Agreement and that, upon request, the undersigned will execute any additional documents necessary or desirable in connection with the enforcement of this Lock-Up Letter Agreement. This Lock-Up Letter Agreement is irrevocable and shall be binding upon the heirs, legal representatives, successors and assigns of the undersigned.

This Lock-Up Letter Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in the Province of British Columbia, without reference to conflicts of laws.

This Lock-Up Letter Agreement constitutes the entire agreement and understanding between and among the parties with respect to the subject matter of this Lock-Up Letter Agreement and supersedes any prior agreement, representation or understanding with respect to such subject matter.

This Lock-up Letter Agreement has been entered into on the date first written above.

Yours truly,

Authorized Signatory

Name: _____

Title: _____



Body and Mind Completes Oversubscribed CAD\$10 Million Financing

Vancouver, British Columbia – May 20, 2019 – Body and Mind Inc. (“BaM” or the “Company”) (CSE: BAMB) (OTC Pink: BMMJ), a multi-state operator with assets in Nevada, California, Ohio and Arkansas, is pleased to announce it has closed its previously announced private placement offering with M Partners Inc., as lead agent, together with a syndicate of agents including PI Financial Corp. (collectively, the “Agents”), for 11,780,904 units of the Company (the “Units”) at a price of CAD\$1.25 per Unit for gross proceeds of CAD\$14,726,130 (the “Offering”).

Robert Hasman, President of Nevada Medical Group and a director of BaM commented, “The financing was originally planned for gross proceeds of up to CAD\$10 million and we are extremely pleased with the increased interest which will allow us to accelerate our growth as a multi-state operator. We have developed multiple platforms to leverage our significant cannabis experience in Nevada and expand our quality brands. We look forward to advancing our numerous projects including facility expansion and construction, optimization, state licensing opportunities and acquisitions.”

Each Unit is comprised of one common share of the Company (each, a “Share”) and one common share purchase warrant of the Company (each, a “Warrant”). Each Warrant entitles the holder thereof to acquire one common share of the Company (each, a “Warrant Share”) at an exercise price of CAD\$1.50 per Warrant Share for a period of 48 months following the closing date, subject to adjustment in certain events.

The Agents received a cash commission on the sale of the Offering to non-U.S. persons of CAD\$793,937.50. The Agents also received as additional consideration 635,150 non-transferable broker warrants (each, a “Broker Warrant”). Each Broker Warrant entitles the holder thereof to acquire one Unit of the Company at an exercise price of CAD\$1.25 per Unit for a period of 48 months following the closing date. M Partners Inc. also received a corporate finance fee of CAD\$84,750 inclusive of applicable taxes.

The net proceeds received by the Company from the Offering will be used for expanding production capacity, building out dispensaries, expansion of operations and for working capital and general corporate purposes.

The Shares, Warrants and Broker Warrants and any Shares, Warrants and Warrant Shares issued upon exercise of the Warrants and Broker Warrants (collectively, the “Securities”) issued pursuant to the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws of the United States. Accordingly, the Securities of the Company may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities of the Company.

The Securities issued pursuant to the Offering are “restricted securities” as defined under Rule 144(a)(3) of the U.S. Securities Act and contain the appropriate restrictive legends as required under the U.S. Securities Act. In addition, the Securities are subject to a statutory hold period in Canada of four months and one day following the closing date in accordance with applicable Canadian securities laws, which shall expire on September 18, 2019.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

For more information please contact:

Body and Mind Inc.

Michael Mills

Tel: 800-361-6312

mmills@bamcannabis.com

About Body and Mind Inc.

BaM is a publicly traded company investing in high quality medical and recreational cannabis cultivation, production and retail. Our wholly-owned Nevada subsidiary was awarded one of the first medical marijuana cultivation licences and holds cultivation and production licenses. BaM products include dried flower, edibles, oils and extracts as well as GPEN Gio cartridges and Lucid Mood offerings. BaM cannabis strains have won numerous awards including the 2019 Las Vegas Weekly Bud Bracket, Las Vegas Hempfest Cup 2016, High Times Top Ten, the NorCal Secret Cup and the Emerald Cup.

BaM continues to expand operations in Nevada, Arkansas, Ohio and investment in California and is dedicated to increasing shareholder value by focusing time and resources on improving operational efficiencies, facility expansions, state licensing opportunities as well as mergers and acquisitions.

Please visit www.bamcannabis.com for more information.

Safe Harbor Statement

Except for the statements of historical fact contained herein, the information presented in this news release constitutes "forward-looking statements" as such term is used in applicable United States and Canadian laws. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any other statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and should be viewed as "forward-looking statements".

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors include, among others, the actual results of activities, variations in the underlying assumptions associated with the estimation of activities, the availability of capital to fund programs and the resulting dilution caused by the raising of capital through the sale of shares, accidents, labor disputes and other risks. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this news release and in any document referred to in this news release.

Certain matters discussed in this news release and oral statements made from time to time by representatives of the Company may constitute forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. Forward-looking information is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected. Many of these factors are beyond the Company's ability to control or predict. Important factors that may cause actual results to differ materially and that could impact the Company and the statements contained in this news release can be found in the Company's filings with the Securities and Exchange Commission. The Company assumes no obligation to update or supplement any forward-looking statements whether as a result of new information, future events or otherwise. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities.
