FORM 2A

LISTING STATEMENT

APRIL 17, 2018

Cautionary Statement Regarding Forward-Looking Information

This Listing Statement and the documents incorporated into this Listing Statement contain "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws (forward-looking information and forward-looking statements being collectively hereinafter referred to as "forward-looking statements"). Such forward-looking statements are based on expectations, estimates and projections as at the date of this Listing Statement or the dates of the documents incorporated herein, as applicable. Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often but not always using phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends", or variations of such words and phrases, or stating that certain actions, events or results "may" or "could", "would", "should", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements and information concerning: the intentions, plans and future actions of the Issuer; statements relating to the business and future activities of the Issuer after the date of this Listing Statement; market position, ability to compete and future financial or operating performance of the Issuer after the date of this Listing Statement; statements based on the audited and unaudited financial statements of Canntab and the Issuer included as Schedules to this Listing Statement; anticipated developments in operations; the future demand for the Issuer's products; the results of development of products and the timing thereof; the timing and amount of estimated capital expenditure in respect of the business of the Issuer; operating expenditures; success of marketing activities; estimated budgets; currency fluctuations; requirements for additional capital; government regulation; limitations on insurance coverage; the timing and possible outcome of litigation in future periods; the timing and possible outcome of regulatory and permitting matters; goals; strategies; future growth; planned business activities and planned future acquisitions; the adequacy of financial resources; and other events or conditions that may occur in the future.

Forward-looking statements are based on the beliefs of the Issuer's management, as well as on assumptions, which such management believes to be reasonable based on information currently available at the time such statements were made. However, by their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements are subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation those risks outlined in Sections 6 and 17 of this Listing Statement.

The list of risk factors set out in this Listing Statement is not exhaustive of the factors that may affect any forward-looking statements of the Issuer. Forward-looking statements are statements about the future and are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of the matters set out or incorporated by reference in this Listing Statement generally and certain economic and business factors, some of which may be beyond the control of the Issuer. In addition, recent unprecedented events in the world economy and global financial and credit markets have resulted in high market and

commodity volatility and a contraction in debt and equity markets, which could have a particularly significant, detrimental and unpredictable effect on forward-looking statements. The Issuer does not intend, and does not assume any obligation, to update any forward-looking statements, other than as required by applicable law. For all of these reasons, the Issuer's securityholders should not place undue reliance on forward-looking statements.

GLOSSARY

"**Affiliate**" means a company that is affiliated with another company as described below.

A company is an "Affiliate" of another company if:

(a) one of them is the subsidiary of the other, or

(b) each of them is controlled by the same person.

A company is "controlled" by a person if:

(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that person, and

(b) the voting securities, if voted, entitle the person to elect a majority of the directors of the company.

A person beneficially owns securities that are beneficially owned by:

(a) a company controlled by that person, or

(b) an Affiliate of that person or an Affiliate of any company controlled by that person.

"**Amalco**" has the meaning ascribed to it in section 3.1.

"**Amalgamation**" has the meaning ascribed to it in section 2.4.

"**Amalgamation Agreement**" means the amalgamation agreement dated January 12, 2018 among the Issuer, Canntab, and 2611780 Ontario Inc.

"**Associate**" when used to indicate a relationship with a person, means

(a) an issuer of which the person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,

(b) any partner of the person,

(c) any trust or estate in which the person has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity,

(d) in the case of a person that is an individual, a relative of that person, including

(i) that person's spouse or child, or

(ii) any relative of the person or of his spouse who has the same residence as that person;

"**Canntab**" means Canntab Therapeutics Limited.

"**Canntab Shares**" means the common shares in the capital of Canntab.

"**Common Shares**" means the common shares in the capital of the Issuer.

"**company**" unless specifically indicated otherwise, means a corporation, unincorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Compensation Warrants**" has the meaning ascribed to it in section 2.4.

"**Consolidation**" has the meaning ascribed to it in section 2.4.

"**Contemplated Transaction**" has the meaning ascribed to it in section 3.1.

"**CSE**" means the Canadian Securities Exchange.

"**Effective Date**" means the date shown on the Certificate of Amalgamation;

"**Exchange Ratio**" has the meaning ascribed to it in section 2.4.

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director or senior officer of the company that is an Insider or subsidiary of the issuer;

(c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities.

"**Issuer**" means Telferscot Resources Inc.

"**Licensed Dealer**" means the holder of a licence issued under section 9.2 of the Narcotic Control Regulations.

"**Numco**" has the meaning ascribed to it in section 2.4.

"**Offering**" means the offering of Subscription Receipts.

"**Offering Price**" means $4.00 per Subscription Receipts.

"**person**" means a company or individual.

"Promoter" has the meaning ascribed to it in the *Securities Act* (Ontario).

"**Resulting Issuer**" has the meaning ascribed to it in section 2.4.

"SEDAR" means the System for Electronic Document Analysis and Retrieval.

"**Subscription Receipt**" has the meaning ascribed to it in section 2.4.

"**Telferscot Shares**" has the meaning ascribed to it in section 3.1.

"**Transfer Agent**" means Capital Transfer Agency Inc.

"**voting shares**" means a security of an issuer that:

(a) is not a debt security; and

(b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

1. Table of Contents

1.1 Include a table of contents with the following headings:

2. Corporate Structure

2.1 Corporate Name and Head and Registered Office

The full corporate name of the Issuer is Canntab Therapeutics Limited, which it changed from Telferscot Resources Inc. upon completion of the Amalgamation. The head and registered office of the Issuer is located at 1 Adelaide Street East. Suite 801, Toronto, Ontario M5C 2V9. The Issuer is a reporting issuer in the Provinces of Alberta, British Columbia, Manitoba and Ontario.

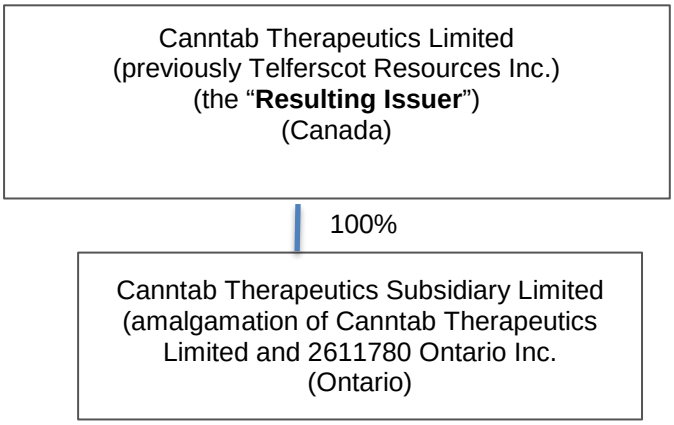
2.2 Jurisdiction of Incorporation

The Issuer

The Issuer was incorporated pursuant to the Canada Business Corporations Act as Telferscot Resources Inc. on May 31, 2010. On August 6, 2010, the Issuer amended its articles to add restrictions on the transfer of shares and to allow directors to appoint one or more director, to hold office for a term expiring not later than the close of the next annual general meeting and not to exceed one-third of the number of directors elected at the previous annual general meeting of shareholders. On December 17, 2010, the Issuer amended its articles to subdivide its common shares. On September 25, 2013, the Issuer amalgamated with 8549150 Canada Inc. The Issuer filed articles of amendment effective April 11, 2018, consolidating its shares on a 200 for 1 basis and changing its name from “Telferscot Resources Inc.” to “Canntab Therapeutics Limited” following receipt of shareholder approval thereof at the annual and special meeting of shareholders of the Issuer held on March 22, 2018.

2.3 Inter-corporate Relationships

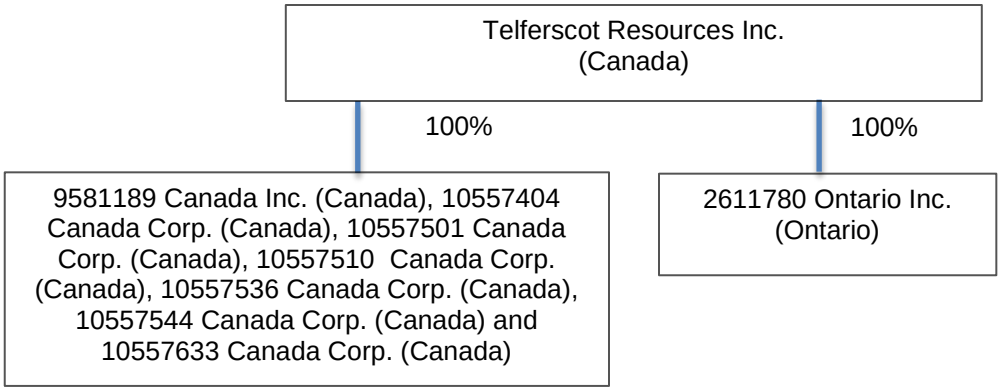
The current corporate organization chart for the Issuer is as follows:



2.4 Fundamental Change

The Issuer is presently listed on the CSE and, as the Amalgamation constitutes a fundamental change according to the policies of the CSE, must requalify its securities for listing.

Prior to completion of the Amalgamation, the corporate structure of the Issuer was as follows:



On January 12, 2018, the Issuer, Canntab, and 2611780 Ontario Inc. ("**Numco**") entered into an amalgamation agreement (the "**Amalgamation Agreement**"), pursuant to which the parties completed a business combination by way of a three-cornered amalgamation (the "**Amalgamation**") under the *Business Corporations Act* (Ontario). Under the terms of the Amalgamation Agreement Canntab amalgamated with Numco and carries on the existing business of Canntab as a wholly owned operating subsidiary of the Issuer, which filed articles of amendment to change its name to Canntab Therapeutics Limited (the "**Resulting Issuer**").

Prior to the Amalgamation, the Issuer consolidated its common shares on

the basis of one post-consolidated common share for each 200 pre-consolidation common shares (the "**Consolidation**").

Pursuant to the terms of the Amalgamation Agreement, each shareholder of Canntab received four (4) common shares (a "**Common Share**") of the Issuer for every one (1) common share of Canntab held by such shareholder (the "**Exchange Ratio**"). In addition, each holder of a stock option or warrant of Canntab received an equal number of replacement stock options, warrants and broker warrants of the Issuer, as applicable.

Prior to the Amalgamation, Canntab had outstanding 4,713,000 common shares, 380,250 warrants and 470,000 stock options.

In connection with the Amalgamation, Canntab completed a private placement of 1,251,914 subscription receipts ("**Subscription Receipt**") at a price of $4.00 per Subscription Receipt for gross proceeds of $5,007,656 on December 19, 2017 and December 29, 2017 (the "**Offering**"). Immediately prior to the closing of the Amalgamation, each Subscription Receipt converted, with no additional consideration or action by the holder, to one common share of Canntab (each a "**Canntab Share**"), which were subsequently exchanged for four common shares of the Resulting Issuer pursuant to the terms of the Amalgamation Agreement.

The gross proceeds of the Subscription Receipts were delivered into escrow on behalf of the purchasers of Subscription Receipts and have now been released from escrow as a result of the escrow release conditions having been satisfied.

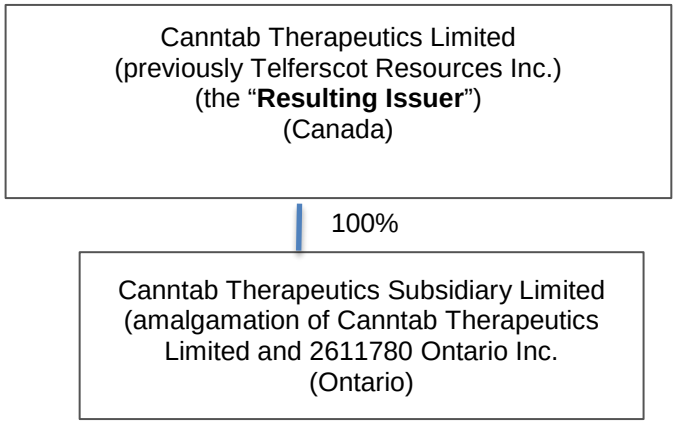
For the finder's services in connection with the Offering, Canntab agreed to pay a corporate finance fee equal to two percent (2%) of the gross proceeds of the Offering and a sale commission equal to five percent (5%) of the gross proceeds of the Offering, which were paid on the completion of the Amalgamation. Additionally, Canntab agreed to grant to the finder such number of corporate finance warrants as is equal to two percent (2%) of the Subscription Receipts sold pursuant to the Offering and selling compensation warrants (collectively with the corporate finance warrants, the "**Compensation Warrants**") as is equal to five percent (5%) of the Subscription Receipts sold pursuant to the Offering, for a total of 87,634 Compensation Warrants. Each Compensation Warrant entitles the holder thereof to acquire one (1) Canntab Share at a price of $4.00 per Canntab Share for a period of twenty-four (24) months from issuance.

Presently, there are an aggregate of 24,484,701 Common Shares issued and outstanding with former shareholders of Canntab holding 18,852,000

Common Shares, representing approximately 77.00% of the Common Shares, the former Subscription Receipt holders holding 5,007,656 Common Shares, representing approximately 20.45% of the outstanding Common Shares, and the original shareholders of the Issuer holding 625,045 Common Shares, representing approximately 2.55% of the outstanding Common Shares.

Canntab does not have any subsidiaries.

As a result of the Amalgamation, Numco is a wholly-owned subsidiary of Telferscot and the Contemplated Transaction resulted in a reverse take-over of Telferscot, which filed articles of amendment to change its name to Canntab Therapeutics Limited (the "**Resulting Issuer**") having the following corporate structure:



2.5 Non-Corporate Issuers and Issuers Incorporated Outside of Canada

The Issuer is neither a non-corporate issuer nor an issuer incorporated outside of Canada.

3. General Development of the Business

3.1 General Development of the Business

The Issuer

In July 2011, the Issuer acquired an initial interest of 17% in the Kolwezi Project ("**KCC**") through its acquisition of 1830953 Ontario Inc. Telferscot had a right to increase its ownership in the exploration project to 60% through the expenditure of a further CAD $4 million prior to September 2013. Exploration expenditures increased the Issuer's ownership position in KCC to approximately 44.9% by December 31, 2012 and 47.4% by April

30, 2013, the date of cessation of funding.

On June 4, 2013, the Issuer announced it had entered into a binding agreement with a new investor, Ivory Mines Investments Limited ("**Ivory**"), to provide USD $20,000,000 of funding to advance the Kolwezi Project. As part of the agreement, Telferscot waived its rights to increase its ownership interest in the Kolwezi Project under the terms of its original agreement as long as Ivory's facility was in place. Accordingly, the Issuer was no longer required to provide any funding for the project. As a result of the Ivory agreement and related finders' fees, Telferscot's interest in the project was diluted to 10.4%.

With a new direction to be undertaken by Telferscot as a result of the Ivory transaction, management approached the Issuer's largest shareholder, Allied Link Holdings Inc. ("**ALH**"), with a proposal whereby ALH would exchange its shares of the Issuer for an equivalent percentage of the Issuer's stake in the Kolwezi Project. This share exchange transaction was approved by shareholders at the Issuer's Annual General Meeting in August 2013 and completed on October 23, 2013. The transaction had the following terms: ALH held 12,237,200 common shares of Telferscot, representing 28.8% of the then-outstanding 42,512,200 common shares. The Issuer transferred 28.8% of its 10.4% interest in KCC, or 3.0%, to ALH. In consideration for the transfer of this interest, ALH surrendered its entire shareholding position in Telferscot for cancellation, reducing the number of issued and outstanding common shares of Telferscot to 30,275,000. The carrying value of the Issuer's investment in KCC was reduced by 28.8%, or $104,215, with a corresponding reduction in share capital.

Subsequent to the share exchange transaction, the Issuer held a 7.4% interest in KCC.

On November 11, 2015, the Issuer announced that it had entered into a letter of intent to sell its 2,775 common shares or approximately 7.4% interest in Kolwezi Copper Corp. ("**KCC**") for USD $854,700 (the "**Sale**"). The Sale closed in two tranches. The first tranche of 575 KCC shares closed coincident with the execution of a definitive agreement on January 11, 2016. The second tranche of 2,200 KCC shares closed, following shareholder approval, on March 2, 2016. Following the completion of the Sale, Telferscot undertook a return of capital. Shareholders could elect to receive a cash payment of $0.0145 per share or to reinvest the payment to acquire further shares at $0.005 per share. The return of capital was completed in April of 2016 on the distribution of $651,078 and the issuance of 44,581,961 common shares.

On November 23, 2017 the Issuer entered into a letter of intent with Canntab, which was superceded and replaced by the Amalgamation Agreement dated January 12, 2018, among the Issuer, Canntab and

Numco, whereby Canntab will amalgamate with Numco and shareholders of Canntab will receive post-Consolidated common shares of the Issuer in exchange for their shares in Canntab; this will result in the shareholders of Canntab controlling the Issuer by way of a reverse take-over (the "**Contemplated Transaction**").

The terms of the Contemplated Transaction will be as follows:

a) On or prior to the Effective Date, the Issuer will complete a consolidation of its common shares on a 200 to 1 basis (the "**Consolidation**"), so that there will be approximately 625,045 post-Consolidation common shares of Telferscot issued and outstanding (the "**Telferscot Shares**");

b) Numco will amalgamate with Canntab to form a new entity, to be called "Canntab Therapeutics Subsidiary Limited" ("**Amalco**"). Holders of the issued and outstanding common shares of Canntab (including common shares issued pursuant to the Offering, the "**Canntab Shares**") will receive Telferscot Shares on the completion of the Amalgamation. As a result, Amalco will be a wholly-owned subsidiary of Telferscot and the Contemplated Transaction will result in a reverse take-over of Telferscot;

c) On Effective Date, each holder of a Canntab Share shall be entitled to four (4) Telferscot Shares for each Canntab Share, on a post-Consolidation basis;

d) Telferscot hereby confirms that there are no warrants outstanding;

e) On Effective Date, Telferscot will grant options in accordance with its plan to continuing directors, officers, consultants and employees on a post-Consolidation basis at an exercise price of $1.00 per share to the persons recommended by the future board of directors of Telferscot; and

f) Prior to the Effective Date Telferscot proposes to assign all of its rights and interest in the AUXICO Litigation to 9581189 Canada Inc. ("**LitCo**") in exchange for 2,871,424 common shares of LitCo. In addition, Telferscot intends to assign its rights and interests to six other potential transactions, including all letters of intent associated with such transactions, to six separate subsidiaries named 10557404 Canada Corp., 10557501 Canada Corp., 10557510 Canada Corp., 10557536 Canada Corp., 10557544 Canada Corp. and 10557633 Canada Corp. (the "**DealCos**") in consideration for 11,485,696 common shares of each Dealco except for 10557544 Canada Inc. where rights will be exchanged for 22,971,392 common shares of this DealCo. Each DealCo will complete a private placement of $120,000 and a $10,000 private placement into LitCo all at $0.01 per share. Telferscot will then complete a plan of arrangement

whereby each current common shares of Telferscot will be exchanged for one new common share of Telferscot and one preferred share of Telferscot. The preferred shares will be redeemed on the distribution of the pro rata portion of the shares of each DealCo and LitCo held by Telferscot and will then be cancelled. The new common shares will then be consolidated on the basis of 1 post-consolidated new common shares for each 200 pre-consolidated new common shares and the Transaction will be completed.

Canntab

Canntab is a Canadian Cannabis Oral dosage formulation company based in Markham Ontario, engaged in the research and development of therapeutic formulations of cannabinoids. Canntab was established in 2016 based on innovative technologies developed and licenced from CMAX Technologies Inc. Canntab has developed in-house technology to deliver standardized medical cannabis extract from selective strains in a solid extended release pharmaceutical dosage. Its product, XR tablets, delivers cannabinoids through the blood stream and is available in different dosages for extended time release. The formulation and prototype has been developed by the management team.

The Extended Release Tablet ("**XR**" or the "**XR Tablet**") is a proprietary phytocannabinoid vehicle that is designed to directly address the drawbacks and challenges of competing oral delivery systems. These challenges include, but not limited to:

- accuracy of dosing,
- onset times,
- duration of action,
- bioavailability,
- discreetness of consumption,
- ease of spoilage; and
- the reduction of side effects;

and are all directly addressed by the unique formulation of the XR Tablet. The XR Tablet is designed to contain either THC, CBD, or a combination of THC/CBD (depending on the composition of the medicine), permitting it to meet the demands of a broader patient base than the current synthetic-THC based pills in the market today.

Intellectual property underpins the value of XR Tablets in the form of four international patent applications already filed. Canntab is rapidly moving toward the commercialization phase by partnering with a best-in-class licensed producer of medicinal cannabis in Canada and gearing up for its first series of pre-clinical trials.

3.2 Significant Acquisitions and Dispositions

Please refer to Item 2.4 and Item 3.1

3.3 Trends, Commitments, Events or Uncertainties

OVERVIEW OF CANNABIS AND THE CANNABIS INDUSTRY

Medical Use of Cannabis

The use of cannabis for medicinal purposes has a history that goes back thousands of years and its use is not unique to any single culture or geography. By 1843, Western medicine was introduced to the use of cannabis for the treatment of a variety of ailments including, chronic pain, loss of appetite and epilepsy. While cannabis fell in and out of favour with Western medicine over the following two centuries, its value as a medicine has seen growing recognition over the past several decades. In a landmark 2017 report, The National Academies of Science Engineering Medicine reviewed 10,000 scientific abstracts published since 1999, and confirmed cannabis' medicinal benefits for those experiencing chronic pain.

As cannabinoids and the endocannabinoid system with which they interact are better understood, the medical applications for cannabis have continued to expand. Moreover, the components of the cannabis plant, including terpenoids, and how they produce an entourage effect with the plant's cannabinoids continue to be a source of study and potential innovation.

Across legal medical cannabis jurisdictions, the conditions and symptoms for which a patient can access cannabis varies considerably. While not exhaustive, a range of symptoms for which patients can seek and be provided prescriptions for cannabis includes:

> *Alzheimer's, Anxiety, Arthritis, Asthma, ADHD, Autism, Autoimmune Disorder, Cachexia, Cancer, Chronic Fatigue Syndrome, Chronic Pain, Diabetes, Epilepsy, Fibromyalgia, Gastrointestinal Disorders, Glaucoma, Hepatitis C, HIV/AIDS, Insomnia, Migraine, Multiple Sclerosis, Neuropathy, Pain, Parkinson's, PTSD, Schizophrenia, Seizure Disorders, Stress*

The addressable patient market for this array of medical conditions in the United States and Canada alone numbers in the hundreds of millions. While cannabis may not necessarily be an appropriate primary treatment method for a majority of these patients, the potential for penetration and growth remains staggering. A snapshot of select conditions in Canada and the United States alone illustrates this potential.

Arthritis	Canada	4,600,000	United States	54,400,000

Autoimmune Disorder	Canada	2,000,000	United States	23,500,000
Fibromyalgia	Canada	900,000	United States	10,000,000
Glaucoma	Canada	400,000	United States	3,000,000
Seizure Disorders	Canada	180,000	United States	4,300,000

While research has the potential to discover additional medicinal uses for cannabis, the existing patient base provides ample opportunity to create significant growth in research and analytical opportunities.

Global Trends in the Regulation of Medical Marijuana

The global phenomenon of government's recognizing the medicinal benefits of phytocannabinoids and accompanying social benefits of permitting regulated access to this medicine has led to a surge of new legislation and new jurisdictions coming online. Since November 2016: Australians gained legal access; the Irish government passed a bill to make cannabis available for medicinal use; a bill has been introduced in the Philippines Senate, (of which the staunch anti-drug President approves), that would provide access to medical cannabis; the voters of Florida, Arkansas, and North Dakota made it legal for doctors to prescribe medical cannabis; and not the last in an accelerating shift in public health policy, Montana eased their restrictions on the number of indications for which cannabis may be authorized.

Globally, the opportunities for medical cannabis solutions have rapidly proliferated amidst the growing recognition by both national and sub-national governments of the medicinal value of cannabis. These markets are not unique to one region or culture with countries in the Americas, Europe, Oceania, and beyond, tabling legislation to establish a legal framework for businesses to participate in the provision of medicinal cannabis. While CannTab will initially focus on the Canadian and American markets, the opportunities for global expansion are significant. Select jurisdictions include:

Australia

A Common Law jurisdiction with sophisticated capital markets, Australia passed The Narcotics Drugs Amendment Act of 2016 permitting businesses to apply for licenses to cultivate medical cannabis and or manufacture cannabis products for medicinal purposes. As of 2017, patients residing in all the states and territories of Australia except the Northern Territory and South Australia have access to medical cannabis. Heavily influenced by Canada's ACMPR, Australia's regulatory regime makes the country an attractive market for investment and strategic guidance with a forecasted market size of over $100 million in 2017.

Germany

On January 9th, 2017, German parliamentarians voted unanimously to expand access to medicinal cannabis with the new laws taking effect the following March. Germany has been importing their medicinal cannabis and will continue to do so as the state works on the development of a state-regulated program for domestic cultivation. Health insurance companies for critically ill patients will be required to pick up the costs of consumption for the critically ill, and while the drug will remain illegal recreationally for the foreseeable future, the expansion of medical coverage and potential for large domestic cultivation investments make it a key target for consideration.

Uruguay

A pioneer in regulated cannabis, Uruguay fully legalized the production and sale of cannabis in December 2013, permitting private producers to obtain licenses for large scale production. With a population of only ~3.3 million, a regulated price point of ~$1 per gram, and distribution restricted to pharmacies, Uruguay's consumer market, which can supplement their needs by participating in local grow clubs, may only offer limited potential for high-return investments. However, Uruguay's low-cost of production and ability to export to mature economies without an existing supply chain make it a compelling target for investment.

Ireland

Following a report by Ireland's Health Products Regulatory Authority, the chairman of the HRPA, Tony O'Brien, "cautiously advised" for the introduction of medicinal cannabis for a select number of medical conditions. Ireland's lower house voted at the end of 2016 to introduce medicinal cannabis in 2017 and the country currently in the process of drafting guidelines on how the country will manage prescriptions, supply, and dispensing. A relatively small market, Ireland's intention to provide cover the costs for qualifying patients presents an opportunity to secure

The Licensing Process in Canada:

Access to Cannabis for Medical Purposes Regulations (ACMPR) Licence Approval Process

The following is only a summary of the requirements and process to obtain an ACMPR licence from Health Canada. The full requirements can be viewed on the Health Canada website at www.hc-sc.gc.ca.

1. Intake and Initial Screening

When an application is received, it undergoes an assessment by Health

Canada for completeness. If an application appears to be complete, it will be assigned an application number. The application number means that the application has completed the assessment. Applicants must reference their application number in all correspondence with Health Canada.

The Initial Screening includes an assessment of:

i. the proposed business plan;

ii. the Security Clearance Application Form; and

iii. record-keeping methods pertaining to security, Good Production Practices, inventory, and destruction methods.

If an application is not complete, depending on the information that is missing, applicants may be contacted by Health Canada to obtain the missing information or the application may be returned to the applicant. Health Canada will also verify that applicants have provided notices to the senior officials with the local government where their proposed site is located.

2. Detailed Review and Initiation of Security Clearance Process

All information submitted to Health Canada is reviewed by Health Canada to:

i. complete the assessment of the application to ensure that it meets the requirements of the regulations;

ii. establish that the issuance of the license is not likely to create risks to public health, safety or security, including the risk of cannabis being diverted to an illicit market or use; and

iii. establish that there are no other grounds for refusing the application.

Health Canada thoroughly reviews the application to ensure the level of detail included in the application is sufficient to assess the requirements of the ACMPR and validate the information provided. Consideration is also given by Health Canada to the proposed security measures including those required by Subdivision C of the ACMPR and the description of the storage area for cannabis as required by the Security Directive; the credentials of the proposed quality assurance person to meet the good production requirements outlined in Subdivision D of the ACMPR; and the details listed in the quality assurance report relating to premises, equipment and sanitation program. Physical security plans are reviewed and assessed in detail at this stage.

Licensed producers are required to comply with all applicable provincial/territorial and municipal laws, including zoning restrictions, fire and electrical safety, and environmental legislation (e.g. waste management).

When applying for a license to produce under the ACMPR, a security clearance application form must be submitted for the following individuals:

i. the proposed senior person in charge;

ii. the proposed responsible person in charge;

iii. the proposed alternate responsible person(s) in charge (if applicable);

iv. if a producer's license is issued to an individual, that individual; and,

v. if a producer's license is issued to a corporation, each officer and director of the corporation.

3. Issuance of License to Produce

Once Health Canada confirms that the requirements of the ACMPR have been met, and the applicant successfully completes the Detailed Review and Initiation of Security Clearance Process stage, a license to produce will be issued.

4. Introductory Inspection (as cultivation begins)

As part of the Terms and Conditions on the Health Canada licence, a licensed producer is required to notify Health Canada as cultivation begins. Once notified, Health Canada will schedule an initial inspection to verify that the licensed producer is meeting the requirements of the ACMPR including, but not limited to, the physical security requirements for the site, record-keeping practices and Good Production Practices and to confirm that the activities being conducted by the licensed producer to those indicated on the license.

5. Pre-Sales Inspection

When a licensed producer wishes to add the activity of sale to its existing license, an amended application must be submitted to the Office of Medical Cannabis. Health Canada will then schedule an inspection to verify that the Company is meeting the requirements of the ACMPR including, but not limited to, Good Production Practices, packaging, labelling, shipping, and record keeping prior to allowing the sale or provision of product.

6. Issuance of License to Sell

To complete the assessment of the requirements of the ACMPR and establish that adding the activity of sale of cannabis products is not likely to create a risk to public health, safety or security, and to confirm that there are no other grounds for refusing the amended application, Health Canada reviews the following information:

i. results of the pre-sale inspection;

ii. information submitted in the am amended application to add the activity of sale to the license; and

iii. any other relevant information.

When the review is completed, an amended license, including the activity of sale, is issued to the company. Once an amended license is issued, a licensed producer can begin supplying cannabis products to registered clients, other licensed producers and/or other parties named in subsection 22(2) of the ACMPR, depending on the activities licensed. Health Canada issues separate licenses for dried marijuana, plants and/or cannabis oil.

Licensed Dealer License

Another license available in the marijuana space is a Licensed Dealer License issued pursuant to subsection 9(2) of the Controlled Drugs and Substances Act (the "**Act**"). A Dealer License is the license which Canntab intends to apply for. Pursuant to a Licensed Dealer License a licensee is entitled to have marijuana in its possession and to product, make, assemble, import, export, sell or provide, transport, send or deliver narcotics. Certain of these activities may require a permit.

A Licensed Dealer cannot cultivate, propagate or harvest marijuana other than for scientific purposes.

Canntab intends in the very near future to complete and file an application for a Licensed Dealer License. FV Pharma Inc. ("**FV Pharma**"), a licensed producer, has agreed to assist Canntab with its application to Health Canada as has Emblem Cannabis Corporation ("**Emblem**").

In the interim, Canntab operates in Canada at Emblem's licensed facility in Paris, Ontario under the supervision of Emblem and its licensed personnel. This arrangement allows Canntab to manufacture its tablets which will then be sold by Emblem pursuant to an exclusive license agreement dated October 3, 2017 entered into between Canntab and Emblem. See "Collaboration and License Agreement" in section 4.1 hereof. Canntab will also produce tablets at FV Pharma's facility in Cobourg, Ontario under FV Pharma's license. The products manufactured in Cobourg will also be sold in

Canada by Emblem and internationally through FV Pharma where permitted.

The following rules prescribed by section 8 of the *Narcotic Control Regulations* (Canada) apply for an application to obtain a Dealer License:

8.2 To be eligible for a dealer's licence, a person must be

(a) an individual who ordinarily resides in Canada;

(b) a corporation that has its head office in Canada or operates a branch office in Canada; or

(c) the holder of a position that includes responsibility for narcotics on behalf of a department of the Government of Canada or of a government of a province, a police force, a hospital or a university in Canada.

8.3(1) A licensed dealer

(a) shall designate one qualified person in charge, who may be the licensed dealer if the licensed dealer is an individual, who must work at the premises specified in the licence, have responsibility for supervising activities with respect to narcotics specified in the licence and for ensuring, on behalf of the licensed dealer, that those activities comply with these Regulations and the Access to Cannabis for Medical Purposes Regulations; and

(b) may designate an alternate qualified person in charge who must work at the premises specified in the licence and have authority to replace the qualified person in charge when that person is absent.

8.3(2) The qualified person in charge and, if applicable, the alternate qualified person in charge

(a) shall be familiar with the provisions of the Act and the regulations under it that apply to the licence of the licensed dealer who designated them and have knowledge of chemistry and pharmacology and experience in those fields to properly carry out their duties;

(b) shall either

i. be a pharmacist or a practitioner of medicine, dentistry or veterinary medicine, registered with a provincial professional licensing authority, or

ii. possess a degree in an applicable science — such as pharmacy, medicine, dentistry, veterinary medicine, pharmacology, organic chemistry or chemical engineering — that is awarded by a Canadian university or, if awarded by a foreign university, that is recognized by a Canadian university or a Canadian professional association; and

(c) shall not have been convicted, as an adult, within the preceding 10 years, of

i. a designated drug offence,

ii. a designated criminal offence, or

iii. an offence committed outside Canada that, if committed in Canada, would have constituted an offence referred to in subparagraph (i) or (ii).

Recreational Marijuana in Canada

On December 13, 2016, the Task Force on Cannabis Legalization and Regulation (the "**Task Force**"), which was established by the Canadian Federal Government to seek input on the design of a new system to legalize, regulate and restrict access to cannabis, published its report outlining its recommendations. On April 13, 2017, the Canadian Federal Government released Bill C-45, *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts* ("**Bill C-45**"), which proposes the enactment of the *Cannabis Act* (Canada) to regulate the production, distribution and sale of cannabis for unqualified adult use. On November 27, 2017, the House of Commons passed Bill C-45, and on December 20, 2017, the Prime Minister communicated that the Canadian Federal Government intends to legalize cannabis in the summer of 2018, despite previous reports of a July 1, 2018 deadline.

On September 8, 2017, the Ontario government announced its proposed retail and distribution model of legalized recreational cannabis to be modelled on the current Liquor Control Board of Ontario ("**LCBO**") framework. On December 12, 2017, the Ontario government passed the *Cannabis Act, 2017* (Ontario), which will regulate the lawful use, sale and distribution of recreational cannabis by the federal government's summer 2018 legalization deadline.

Only Ontario, British Columbia, Alberta, Québec, and New Brunswick have introduced cannabis regulations; however, every province and territory, other than Nunavut, has made an announcement regarding plans for

regulating recreational cannabis.

On November 21, 2017, Health Canada released a consultation paper entitled "Proposed Approach to the Regulation of Cannabis" (the "**Proposed Regulations**"). Recognizing the federal government's commitment to bringing the *Cannabis Act* (Canada) into force no later than the summer of 2018, the Proposed Regulations, among other things, seek to solicit public input and views on the appropriate regulatory approach to a recreational cannabis market by building upon established regulatory requirements that are currently in place for medical cannabis.

Interested stakeholders were invited to share their views on the Proposed Regulations until January 20, 2018. Health Canada is now expected to publish a summary of the comments received as well as a detailed outline of any changes to the regulatory proposal.

Recreational Marijuana in the United States

Colorado legalized the recreational use of marijuana in 2012 and became the first U.S. state to launch storefront sales in 2014. Washington, California, Oregon, Nevada, Alaska, Massachusetts and Maine have followed suit and legalized recreational marijuana with varying regulatory schemes.

While the Companies product is not intended for the recreational market, legalization of recreational marijuana will allow patients with medical conditions that may benefit from marijuana to avoid the medical licensing process or the necessity for a medical prescription.

Gap in the Market

For patients seeking relief from their conditions through the consumption of phytocannabinoids, there are no shortage of methods by which the medicine can be consumed to achieve an effect. The combustion and inhalation of dry flower (bud), the oral or sub-lingual consumption of refined oils, the combustion of resins, the use of a transdermal patch, the topical application of phytocannabinoids by way of mixing it with a combination of a fatty acid and propylene glycol, or the consumption of a pill are some of the means by which a patient could ostensibly assuage their symptoms. Unfortunately for patients, not all delivery systems are created equal, and each of these methods, while possessing their own unique benefits also have their own drawbacks that have created a clear gap in the market for a new solution

For patients looking to cannabinoids as a component of their treatment regimen, there are several different unique intake methods at their disposal. The combustion of dry flower has been the most popular intake method for

Canada's patients, while cannabis oils have experienced breakneck growth in popularity since their introduction in Q3 2015[1]. While each intake method's ultimate intention is to deliver cannabinoids to provide relief to patients, each method brings with it its own benefits and drawbacks. These benefits/drawbacks are not just restricted to clinical features such as onset of action and bioavailability, but also concern issues pertaining to storage, discreetness of consumption, and suitability for children. A review of the most popular modes of consumption reveal a clear opportunity for the introduction of a superior delivery method.

The combustion and inhalation of dry flower (bud) is the most popular intake method for cannabis patients in both Canada and the United States. For patients, one of the starkest advantages of this method is the rapid onset time for effect, with initial effects taking hold in seconds and peak blood plasma being achieved within minutes[2]. This method also permits patients to achieve relatively accurate dosing based on their individual needs, as the quick onset allows patients to effectively titrate one inhalation at a time.

Despite its popularity as a delivery method for cannabinoids to medical patients, inhalation has a staggering number of drawbacks. Cannabis smoke generated from combustion contains carcinogens, including benzene and carbon monoxide, as well as some ~1,500 different chemicals. Inhalation also does not permit patients to consume their medicine discreetly, will have an effect on those around the patient, and leaves a lingering odor/residue where it is eventually consumed. This method also drops the bioavailability of cannabinoids down to just ~27%[3] and simply put, is not a socially suitable method of consumption for children.

4 Narrative Description of the Business

4.1 General

The Issuer

Since termination of the proposed transaction with Auxico Resources the Issuer has been evaluating business opportunities to grow value for the shareholders.

Canntab

Canntab was incorporated pursuant to the *Business Corporations Act* (Ontario) on April 20, 2016. On January 17, 2017, Canntab amended its

[1] http://www.hc-sc.gc.ca/dhp-mps/marihuana/info/market-marche-eng.php
[2] Michael Backes, *Cannabis Pharmacy*: *The Practical Guide to Medical Marijuana*.
[3] Ibid.

articles to change the restrictions on the transfer of shares. Canntab has its registered office at be 1 Adelaide Street East. Suite 801, Toronto, Ontario M5C 2V9.

Canntab is a Canadian Cannabis Oral dosage formulation company based in Markham Ontario, engaged in the research and development of therapeutic formulations of cannabinoids. Canntab was established in 2016 based on innovative technologies developed and licenced from CMAX Technologies Inc. Canntab has developed in-house technology to deliver standardized medical cannabis extract from selective strains in a solid extended release pharmaceutical dosage. Its product, XR tablets, delivers cannabinoids through the blood stream and is available in different dosages for extended time release. The formulation and prototype has been developed by the management team.

The Extended Release Tablet ("**XR**" or the "**XR Tablet**") is a proprietary phytocannabinoid vehicle that is designed to directly address the drawbacks and challenges of competing oral delivery systems. These challenges include, but not limited to:

- accuracy of dosing,
- onset times,
- duration of action,
- bioavailability,
- discreetness of consumption,
- ease of spoilage; and
- the reduction of side effects;

and are all directly addressed by the unique formulation of the XR Tablet. The XR Tablet is designed to contain THC, CBD, or a combination of THC/CBD (depending on the composition of the medicine), permitting it to meet the demands of a broader patient base than the current synthetic-THC based pills in the market today.

Intellectual property underpins the value of XR Tablets in the form of four international patent applications already filed. Canntab is rapidly moving toward the commercialization phase by partnering with a best-in-class licensed producer of medicinal cannabis in Canada and gearing up for its first series of pre-clinical trials.

While the XR Tablet is not currently approved under Canada's ACMPR, it is fundamentally similar to room temperature oil inside gel capsules, which have been approved under the ACMPR. The XR Tablets use pharmaceutical grade excipients, all approved by Health Canada, and, pursuant to Canntab's License and Collaboration Agreement with Emblem,

Canntab and Emblem intend to present the similarities of the XR Tablet to existing room temperature oils in order to facilitate the process of adding the XR Tablet to the approved list under the ACMPR. Canntab intends to provide Health Canada with the following in order to obtain approval of the XR Tablets:

i. a validated process for manufacturing tablets from cannabis oil;
ii. the results of various tests on the XR Tablet, including:
    i. disintegration testing;
    ii. API testing for conformity;
    iii. microbiological testing for safety; and
    iv. stability testing;
iii. manufacturing standard operating procedures, largely taken from those used in Emblem's licensed facility; and
iv. miscellaneous test and process data.

History

Canntab is a researcher, developer, and prospective manufacturer of advanced Cannabinoid delivery systems that have been explicitly designed for the medical community. Canntab's objective is to have its products, that address the clear shortcomings of competing delivery methods, become the predominant solution for patients that require medical Cannabis to assuage their symptoms and provide relief. Canntab has developed a pool of patents that have been filed in both the United States and Canada that form the basis of its first product, the XR Tablet™, that it intends to manufacture and distribute in legal medical cannabis jurisdictions including: Canada, select states within the United States, Australia, and Germany, among others.

Corporate History and Major Milestones

- *April 20, 2016*, Canntab is incorporated in the province of Ontario.

- *June 2016*, Canntab develops multiple pre-formulations and produces the alpha version of its first product, the XR Tablet.

- *September 2016,* Canntab files the first patent in its current portfolio. The patent covers the XR Tablet's 'Sustained Release Cannabinoid Formulations' that provides for longer relief from a single dosage.

- *January/February 2017*, Canntab files a series of patents that underpin the key features in the XR Tablet that allows it to stand out from other delivery methods. These patents include "Flash-Melt Cannabinoid Formulations" for quicker onset and an expansion of Canntab's "Sustained Release Cannabinoid Formulations" among others.

- *From October 2016 to February 2017*, Canntab completes private placement offerings for gross proceeds of $1,413,000.

- *October 2017*, Canntab executes a Collaboration and License Agreement with Emblem Cannabis Corporation to collaborate on the preclinical formulation, clinical development, regulatory approval, manufacturing and commercialization of the XR Tablet.

- November 2017, Canntab entered into letter of intent with Telferscot, whereby Canntab will amalgamate with Numco and shareholders of Canntab will receive post-Consolidated common shares of Telferscot in exchange for their shares in Canntab; this will result in the shareholders of Canntab controlling the Issuer by way of a reverse take-over.

- *December 2017*, Canntab completes a private placement for gross proceeds of $5,007,656.

Collaboration and License Agreement

On October 3, 2017, Canntab entered into an exclusive marketing and sale license agreement with Emblem Cannabis Corporation, a Licensed Producer (the "**Licensed Producer**") for the Canadian market (the "**License Agreement**"). The following is a brief summary of the salient terms of the License Agreement:

- the License Agreement is for an initial term of 5 years and shall be automatically renews thereafter for renewal terms of one year each.

- the License Agreement applies to proprietary Canntab products being oral sustained release tablet formulations of cannabinoids developed using the licensed Patents or Licensed Know-How (the "**Product**").

- Canntab shall have the sole right to manufacture the Product.

- The raw materials (cannabis and cannabis oil) required to manufacture the Product shall be provided to Canntab free of charge by the Licensed Producer.

- The Licensed Producer purchase the products manufactured by Canntab at Canntab's cost plus 15%.

- The Licensed Producer is responsible for all regulatory costs to obtain the required approvals to sell the Product in Canada at the Licensed Producer's sole cost and expense.

Milestone Payments.

Canntab will be entitled to the following milestone payments:

- $200,000 upon execution of the License Agreement;
- $200,000 within forty-five (45) days following the development extended-release cannabis tablets acceptable to the Licensed Producer acting reasonably-on the basis of in-vitro dissolution data;
- $200,000 within forty-five (45) days following reasonably acceptable results from a stability study and an in-vivo bio-availability study confirming the Product provides “extended release”. This in vivo study will involve 12 people and blood sampling over 12 hours;
- $200,000 each upon the Licensed Producer being approved to sell pharmaceutically acceptable formulations of each of the three extended-release cannabinoid tablet formulations (high HTC, balanced THC/CBD and high CBD) of the Second Products by Health Canada;

Royalty Payments.

Canntab shall be entitled to the following royalty payments:

- 10.0% of Gross Sales the Licensed Producer receives from sale of each Product in the Territory on sales up to and including $15.0 million per year and 15% of Gross Sales on sales exceeding $15.0 million per year.

- The Licensed Producer shall be the exclusive licensee in the Territory providing that the Licensed Producer meets the following royalty payment thresholds:

    - First 12 months following first Commercial Sale: $300,000.00.
    - Second 12 months following first Commercial Sale: $1,200,000.00.
    - Third 12 months following first Commercial Sale and all subsequent 12 month periods: $2,100,000.00.

If any of these thresholds are not met then the Licensed Producer shall have the option of making up the difference between the royalty-based payments and the thresholds. If the thresholds are not met and the Licensed Producer does not at its sole discretion make up the difference between the royalty-based payments and the thresholds, then the License shall at Canntab’s sole option terminate or Canntab may designate the Licensed Producer as a non-exclusive licensee of the Patents and the Licensed Know-How. In either event Canntab may thereafter itself sell the Products or otherwise exercise the Patent and Know-How Rights without restriction or license any number of third parties to sell the Products or otherwise exercise the Patent and Know-How Rights without restriction.

Copies of the License Agreement will be made available upon request from at the offices of Garfinkle Biderman LLP.

Management and Leadership

Canntab's leadership is comprised of multi-decade industry veterans from the biotechnology and pharmaceutical industries who have a successful track record of developing and commercializing new drug formulations and product categories. The novel nature of the XR Tablet and the legal and financial complexities behind the manufacturing and global distribution of Cannabinoids, demands a leadership team that brings global experience and an intimate knowledge of the hurdles and timelines that will guide Canntab from patent filings to profitability. To directly address this, Canntab has assembled a group of established leaders and operators from the industry who can allow Canntab to achieve its strategic vision of being the de facto delivery vehicle of choice for patients. The current leadership team as of May, 2017 is comprised of:

- Jeff Renwick, CEO/Director – Jeff is the current CEO of Canntab and the lead innovator behind Canntab's key patent filings. Jeff's identification of the major failings produced by current Cannabinoid delivery methods led him to develop a suite of patents that underpin Canntab's potential value. Jeff brings extensive experience in both drug formulation, business development, and monetization, from his time in business development at Indukern Chemie AG and his role as the former President and CEO of Orbus Pharma.

- Richard Goldstein, CFO/Director – Richard is the founder of First Republic Capital and the former EVP and Head of Investment Banking at Standard Securities. Richard has led and participated in the financing of numerous legal Cannabis companies providing him with a unique knowledge of the financial challenges in the industry, particularly as they pertain to taxation and cash management. Richard holds an MBA in finance from McMaster's DeGroote School of Business.

- Gavin Bogle, Patent and Trademark Counsel – Gavin brings to Canntab over 20 years of legal experience working in biotechnology, pharma, and their supporting ancillary industries. Gavin has extensive cross-border transactional experience including the structuring of intellectual property licensing agreements.

- Barry Polisuk, Corporate Secretary/Director/Chairman – Barry has been a partner with Garfinkle Biderman since 1997 and specializes in secured lending, real estate, and securities law. Barry represents a number of financial institutions including banks and trust companies,

as well as private lenders, and has acted on behalf of issuers in IPOs, RTOs, and private placement transactions.

- Robert Lefler, Director of Operations – Robert brings over 25 years of experience in the manufacturing of active pharmaceutical ingredients (API) and Finished Doses. Robert specializes in optimizing processes to allow for rapid scaling of production and has been credited with the development of 40 proprietary consumer products.

- Vitor Fonseca, Director – Vitor is the Vice President and Treasurer of the Rompsen Investment Corporation and is the current Audit Committee Chair of Mission Ready Services. Prior to joining Canntab, Vitor was the former Audit Committee Chair of Enwave Energy Corporation.

- Sheldon Inwentash, Director – Sheldon is the current CEO, Chair, and Founder of ThreeD Capital Inc., a publicly traded Canadian venture capital firm focused on investments in junior resources, technology, and biotechnology markets. He is the former CEO and Chair of Pinetree Capital Ltd. and Mega Uranium Ltd.

Description of Intellectual Property

Canntab's intellectual property portfolio consists of both patents and trademarks that have been filed in both the United States and Canada. Canntab's patent portfolio currently consists of 4 patents and 3 patents under review that cover the key differentiated features of the XR Tablet that allow it to directly address the issues found in other orally administered solutions. These patents also include proprietary formulations for specific ailments including the use of medical Cannabis for the treatment addiction

In addition to patents, Canntab has eight trademark applications in the United States and Canada that cover four potential trade names for the XR Tablet.

Product Feature Patents

1. SUSTAINED RELEASE CANNABINOID FORMULATIONS
   I. Filed September 27, 2016
   II. Serial No. 62/400,216

2. SUSTAINED RELEASE CANNABINOID FORMULATIONS
   I. Filed January 23, 2017
   II. Serial No. 62/449,377

3. IMMEDIATE RELEASE CANNABINOID FORMULATIONS
    I. Filed January 23, 2017
    II. Serial No. 62/449,395

4. FLASH-MELT CANNABINOID FORMULATIONS
    I. Filed February 5, 2017
    II. Serial No. 62/454,830

In review:

1. BI-LAYER IMMEDIATE RELEASE AND EXTENDED RELEASE CANNABIS DOSAGE FORMS

2. SUSTAINED AND B-PHASIC RELEASE CANNABINOID FORMULATIONS FOR THE TREATMENT OF ADDICTION

3. SUSTAINED AND BI-PHASIC RELEASE CANNABINOID FORMULATIONS FOR THE TREATMENT OF PAIN

Trademarks

1. “The Little Green Pill”
    I. United States Application No. 87237503
    II. Canadian Application No. 1809555

2. “The Little Green Tablet”
    I. United States Application No. 87237557
    II. Canadian Application No. 1809566

3. “Sandman XR”
    I. United States Application No. 87336413
    II. Canadian Application No, 1822949

4. “Nytnite”
    I. United States Application No. 87336422
    II. Canadian Application No. 1822952

Commercialization

The manufacture and sale of products containing Cannabinoids presents numerous challenges concerning their commercialization both in terms of reaching prospective patients and ensuring the efficient deployment of capital. Restrictions on their import/export across not only national borders, but also sub-national borders, raises issues about where to establish manufacturing facilities and at what scale. Moreover, different markets have set their own unique restrictions concerning ownership of facilities, appointment of officers and directors, as well as residency requirements for

market participants. Unique tax issues are also prevalent, with 280E, the IRS code that denies leaf-handling companies the ability to discount labour not directly linked to COGS, being a critical consideration before establishing any presence in the United States.

Given these issues, Canntab's commercialization strategy has been designed to maximize returns, optimize capital deployment, and utilize efficient tax planning and corporate structure. To achieve this, Canntab has developed a 7-stage process that outlines its approach to establishing a presence in a new market, with the Canadian market being the first to enter.

Commercialization Process – 7 Stages

1. *Market/Legal Review*
   - *I.* Timeline: 1 Month
   - *II.* Cost: $10,000

Given that Canntab will ultimately be handling, processing, and distributing Cannabinoids; the first step to considering any new market will be a robust review of that jurisdiction's legal/tax restrictions. This will include, but not be limited to a review of:

a. Are there restrictions on who can be an owner of the business?
b. Are there restrictions on who can be an employee of the business?
c. Are there restrictions on who can be an officer/director of the business?
d. Are there residency requirements for those involved with the business?
e. Are there restrictions on importing/exporting product from this jurisdiction?
f. Are there unique tax treatments for companies participating in Canntab's intended range of activities?
g. Would an ownership stake in a new jurisdiction create any challenges for Canntab's intended public listing?

For jurisdictions that have punitive residency/ownership requirements and in situations where an appropriate local partner cannot be found, Canntab will consider the licensing of its intellectual property on an exclusive geographic basis. For all US jurisdictions, given the 280E tax regulations, all new business interests will be bifurcated so that the COGS incurring entity will be a separate legal entity from another entity that will be engaging in non-Cannabinoid touching activities such as finance, HR, and marketing. Given the operating costs and initial capital investment required to establish a production facility to produce XR Tablets (described in Stage 4), Canntab will not consider manufacturing facilities for jurisdictions that are not permitted to export and have an insufficient patient base to justify investment. This would include US states with smaller populations that have

limited medical programs that only cover a small range of medical conditions.

2. *Secure and Sign Jurisdiction Partners*
   I. Timeline: 1 – 3 Months
   II. Cost: $50,000

Upon identifying an appropriate jurisdiction based on both its market size and legal restrictions, Canntab will initiate the process of securing a partnership with a local Cannabis producer.

- Leverage Distribution, Quality of Supply (Reputation Piggybacking), Influence
- Supplier Auditing – Volume, Pest, Bacteria, CFU/G, Potency

3. *Initiate Patient Education / Marketing Plan*
   I. Timeline: Run Concurrently with Stage 4, No Fixed Timeline to Conclude
   II. Cost: $100,000, first 3 Months, (variable based on jurisdiction)

Upon securing a local partner to either co-locate a manufacturing facility or secure adequate supply from, Canntab will initiate a patient education plan prior to its products being made available for consumption. As the XR Tablet is fundamentally a new product category, Canntab will need to make a considerable investment reaching out directly to prospective patients about the benefits of XR Tablets when compared to traditional consumption methods such as orally administered oils or the combustion of dry flower. This education/marketing campaign will focus on educating both professionals in the medical community as well as select patient groups that can provide high-uptake rates upon the completion of Canntab's manufacturing facility. This marketing campaign will be comprised of direct outreach to select communities including youth patients, for which the negative side effects of competing delivery methods are considerable, as well as retiree communities, who would particularly benefit from the ease of dosing and simplification of delivery.

The Resulting Issuer faces competition from a diverse mix of market participants, all of whom may compete with the Resulting Issuer to develop alternatives to traditional consumption methods such as orally administered oils or the combustion of dry flower. Canntab believes that its strong leadership team, corporate strategy, and proprietary phytocannabinoid vehicle will allow it to continue to attract patients.

To achieve the objective of this campaign, Canntab will ensure that those responsible for marketing are both equipped with the adequate tools to succeed and given the necessary compensation structure to maximize results. Canntab intends to produce:

4. *Corporate Structuring / Establish Facilities*
    I. Timeline: 2 – 3 Months
    II. Cost: $400,000

5. *Hiring of Key Personnel*
    I. Timeline: 2 Months
    II. Cost: $10,000

6. *Begin Manufacturing / Sales*
    I. Timeline: 1 Week
    II. Cost: $480,000, annual fixed operating costs

7. *Monitoring / Ongoing Marketing*

Future Milestones and Timelines

- *December 2017*, closing of $5,000,000 raise to put company on the pathway to commercialization. Investments in laboratory improvements and capital equipment commence immediately.

- *February 2018*, public listing on the CSE.

- *June 2018*, manufacturing exhibit batches for clinical studies and testing purposes in Canada in partnership with a licensed producer of medical cannabis and an established licensed dealer.

- *July 2018*, initiation of expansion to the United States, identification of appropriate producer partners for co-locating production facilities.

- *December 2018*, initiation of international expansion plans.

Resulting Issuer

Following the Amalgamation with Canntab, the Resulting Issuer will focus on making the XR Tablet commercially viable and begin generating revenues.

Funds Available

The funds expected to be available to the Resulting Issuer are as follows:

Sources	Funds Available
Net Proceeds for the Offering[(1)]	$4,657,120
Existing working capital (deficiency)[(2)]	$579,666
Total Funds Available	**$5,236,786**

Notes:
(1) Net proceeds raised from the Offering, after deducting $350,535 in financing costs.
(2) Unaudited estimate as at November 30, 2017.

4.2 Asset Backed Securities

The Issuer does not have any asset-backed securities.

4.3 Mineral Projects

The Issuer does not have any mineral projects.

4.4 Issuers with Oil and Gas Operations

The Issuer does not have any oil and gas operations.

5. Selected Consolidated Financial Information

5.1 Annual Information

Issuer

The following table summarizes financial information of the Issuer for the last three completed financial years ended December 31, 2016, 2015 and 2014 and for the subsequent nine month period ended September 30, 2017. This summary financial information should only be read in conjunction with the Issuer's financial statements and the notes thereto. See "Financial Statements" in section 25 hereof.

	Nine Month Period Ended September 30, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total revenues	$0.00	$942,355	$0.00	$0.00
Income or Loss before Discontinued Operations & Extraordinary Items	($147,790)	$519,777	($173,840)	($178,532)
Net Loss in total	($147,790)	($405,110)	$751,047	($178,532)
Basic and Diluted Loss per Share	(0.0013)	0.006 / 0.005	(0.004)	(0.005)

Total Assets	$4,488	$17,062	$1,343,058	$282,142
Total Long Term Liabilities	$0.00	$0.00	$0.00	$0.00
Cash dividends declared per share	$0.00	$0.00	$0.00	$0.00

Canntab

The following table summarizes financial information of the Issuer for the last two completed financial years ended May 31, 2017 and 2016 and for the subsequent six month period ended November 30, 2017. This summary financial information should only be read in conjunction with Canntab's financial statements and the notes thereto. See "Financial Statements" in section 25 hereof.

	Six Month Period Ended November 30, 2017	Year Ended May 31, 2017	Year Ended May 31, 2016	Year Ended May 31, 2015
Total revenues	$5,555	$0.00	$0.00	N/A
Income or Loss before Discontinued Operations & Extraordinary Items	($458,928)	($1,116,252)	$0.00	N/A
Net Loss in total	($458,928)	($1,116,252)	$0.00	N/A
Basic and Diluted Loss per Share	(0.10)	(0.30)	N/A	N/A
Total Assets	$819,960	$1,137,275	$60,207	N/A
Total Long Term Liabilities	$161,112	$0.00	$0.00	N/A
Cash dividends declared per share	$0.00	$0.00	$0.00	N/A

5.2 Quarterly Information

Issuer

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

	Q3 Sept 30, 2017	Q2 June 30, 2017	Q1 March 31, 2017	Q4 Dec 31, 2016
Financial results:				
Net (loss) profit for the period	($42,099)	($69,212)	($36,484)	$(140,625)
Basic and diluted loss per share	($0.0004)	($0.0006)	($0.0003)	$0.0190
Balance sheet data:				
Cash	$1,561	$5,807	$12,519	$15,562
Total assets	$4,488	$9,948	$13,019	$17,062
Shareholders' Equity (deficit)	($112,948)	($70,853)	($101,642)	$(65,158)

	Q3 Sept 30, 2016	Q2 June 30, 2016	Q1 March 31, 2016	Q4 Dec 31, 2015
Financial results:				
Net (loss) profit for the period	$(96,898)	$(120,286)	$(47,301)	$876,350
Basic and diluted loss per share	$(0.0010)	$(0.0010)	$(0.0008)	$(0.0016)
Balance sheet data:				
Cash	$35,075	$87,584	$899,744	$110,693
Total assets	$37,575	$142,148	$952,464	$1,343,058
Shareholders' Equity (deficit)	$24,685	$121,583	$892,947	$940,228

Canntab

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

	Q2 Nov 30, 2017	Q1 Aug 31, 2017	Q4 May 31, 2017	Q3 February 28, 2017
Financial results:				
Net (loss) profit for the period	$206,047	252,881	($1,116,252)	N/A
Basic and diluted loss per share	$0.10	$0.06	($0.30)	N/A
Balance sheet data:				
Cash	$599,823	N/A	$958,620	N/A
Total assets	$819,960	N/A	$1,137,275	N/A
Shareholders' Equity (deficit)	$579,627	N/A	$1,038,555	N/A

	Q2 Nov 30, 2016	Q1 Aug 31, 2016	Q4 May 31, 2016	Q3 February 28, 2016
Financial results:				
Net (loss) profit for the period	N/A	N/A	N/A	N/A
Basic and diluted loss per share	N/A	N/A	N/A	N/A
Balance sheet data:				
Cash	N/A	N/A	N/A	N/A
Total assets	N/A	N/A	N/A	N/A
Shareholders' Equity (deficit)	N/A	N/A	N/A	N/A

5.3 Dividends – disclose:

No dividends on the common shares of Telferscot or the Canntab Shares have been paid to date. The Issuer anticipates that for the foreseeable future it will retain future earnings and other cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including the

Issuer's operating results, financial condition, and current and anticipated cash needs.

5.4 Foreign GAAP

Not applicable. Neither the Issuer's nor Canntab's financial statements are prepared using foreign GAAP.

6. Management's Discussion and Analysis

(a) Annual MD&A

Issuer

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

Canntab

Canntab annual MD&A for its most recent fiscal year ended May 31, 2017 is included as Schedule "C" to this Listing Statement.

(b) Interim MD&A

Issuer

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

Canntab

Canntab interim MD&A for the second quarter ended November 30, 2017, is included as Schedule "D" to this Listing Statement.

7. Market for Securities

The Issuer is a reporting issuer in British Columbia, Alberta, Manitoba and Ontario, and its Common Shares are currently listed for trading on the CSE under the symbol "TFS".

8. Consolidated Capitalization

The Issuer

On April 29, 2016, the Issuer completed a return of capital. A total of 44,581,961 common shares were issued from treasury at a price of $0.005 to those shareholders who elected not to receive their return of capital as cash. The Issuer currently has 114,856,961 common shares issued and outstanding.

A shareholder meeting has been called for March 22, 2018 at which time shareholders will be asked to approve a consolidation of the Issuer's common shares on the basis of one post consolidation share for every 200 pre consolidation shares. Following this consolidation there will be approximately 625,045 common shares issued and outstanding.

Canntab

As of May 31, 2017 (the date of Canntab's last audited annual statements) and as at November 30, 2017 (the most recent interim period), Canntab had 4,713,000 common shares issued and outstanding, 380,250 warrants and 470,000 stock options.

On December 19, 2017 and December 29, 2017, Canntab closed a private placement by issuing 1,251,914 Subscription Receipts at a price of $4.00 per Subscription Receipts for gross proceeds of $5,007,656.

As of the date of this Listing Statement, there are 4,713,000 common shares issued and outstanding of Canntab, 1,251,914 Subscription Receipts, 467,884 warrants, 470,000 stock options.

The Resulting Issuer

Upon completion of the Transaction, the Resulting Issuer is expected to have 24,484,701 common shares issued and outstanding, 1,871,536 warrants, 1,880,000 stock options.

9. Options to Purchase Securities

The Issuer

The Issuer currently has no stock options issued and outstanding.

Canntab

As at the time of this Listing Statement Canntab has granted an aggregate of 470,000 stock options as follows:

Name of Optionee	Position with Canntab	No. of Common Shares Reserved Under Option	Exercise Price	Expiration Date
Sheldon Inwentash	Director	100,000	$1.00	February 21, 2022 (1)
Vitor Fonseca	Director	100,000	$1.00	February 21, 2022 (1)
Barry Polisuk	Director	100,000	$1.00	February 21, 2022 (1)
Rob Lefler	Employee	25,000	$1.00	February 21, 2022 (1)
Jeff Renwick	Director & CEO	50,000	$1.00	February 21, 2022 (1)
Richard Goldstein	Director & CFO	50,000	$1.00	February 21, 2022 (1)
Gavin Bogle	Consultant	15,000	$1.00	February 21, 2022 (1)
Hamish Sutherland	Consultant	15,000	$1.00	February 21, 2022 (1)
Dr. Eric Hatashita	Consultant	15,000	$1.00	February 21, 2022 (1)
Total		**470,000**		

Note:

(1) Options granted may be exercised until 90 days after the optionee ceases to be a director, officer, consultant or employee of Canntab.

The Resulting Issuer

Upon completion of the Amalgamation, the Issuer will have 1,880,000 stock options outstanding.

Name of Optionee	Position with Canntab	No. of Common Shares Reserved Under Option	Exercise Price	Expiration Date
Sheldon Inwentash	Director	400,000	$0.25	February 21, 2022 (1)
Vitor Fonseca	Director	400,000	$0.25	February 21, 2022 (1)
Barry Polisuk	Director	400,000	$0.25	February 21, 2022 (1)
Rob Lefler	Employee	100,000	$0.25	February 21, 2022 (1)
Jeff Renwick	Director & CEO	200,000	$0.25	February 21, 2022 (1)
Richard Goldstein	Director & CFO	200,000	$0.25	February 21, 2022 (1)
Gavin Bogle	Consultant	60,000	$0.25	February 21, 2022 (1)
Hamish Sutherland	Consultant	60,000	$0.25	February 21, 2022 (1)
Dr. Eric Hatashita	Consultant	60,000	$0.25	February 21, 2022 (1)
Total		**1,880,000**		

Note:

(1) Options granted may be exercised until 90 days after the optionee ceases to be a director, officer, consultant or employee of Canntab.

10. Description of the Securities

10.1 Description of the Securities

The Issuer

Common Shares

The Issuer is authorized to issue an unlimited number of Common Shares without par value. As at the date of this Listing Statement there are 125,000,000 Common Shares issued and outstanding as fully paid and non-assessable shares.

A shareholder meeting has been called for March 22, 2018, at which time shareholders will be asked to approve a consolidation of the common shares on the basis of one post consolidation share for every 200 pre consolidation

shares. Following this consolidation there will be approximately 625,045 Telferscot Shares issued and outstanding.

The holders of Common Shares are entitled to one vote per Common Share at meetings of the shareholders and, upon liquidation, to share equally in such assets of the Issuer as are distributable to the holders of Common Shares.

There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions, which are capable of requiring a security holder to contribute additional capital.

Warrants

The Issuer does not have any warrants outstanding.

Options

The Issuer does not have any stock options outstanding.

Canntab

Common Shares

Canntab is authorized to issue an unlimited number of common shares, an unlimited number of Class A shares and an unlimited number of Class B shares, of which as of the date hereof, 4,713,000 common shares are issued and outstanding as fully-paid and non-assessable. Canntab does not have any Class A shares or Class B share outstanding.

The holders of Canntab Shares are entitled to receive notice of and attend all meetings of the shareholders of Canntab and are entitled to one vote in respect of each Canntab Share held at such meetings (except with respect to such matters as to which voting rights are accorded holders of another class of shares meeting separately as a class or series). The holders of Canntab Shares are entitled to receive dividends if, as and when declared by the board of directors of Canntab. In the event of liquidation, dissolution or winding-up of Canntab, the holders of Canntab Shares are entitled to share rateably in any distribution of the property or assets of Canntab, subject to the rights of holders of any other class of shares of Canntab entitled to receive assets or property of Canntab upon such distribution in priority or rateably with the holders of Canntab Shares

Warrants

As consideration for their leadership roles with Canntab, Canntab granted Jeff Renwick, Richard Goldstein and Sheldon Inwentash special warrants to purchase up to 100,000 common shares of Canntab each, for a total of 300,000 common shares, at a price of $1.00 per Canntab Share for a period of 60 months until February 21, 2022.

Finder Warrants

As consideration for its role as finder in the initial private placement of Canntab, Canntab granted finder warrants to purchase up to 80,250 common shares of Canntab at a price of $1.00 per Canntab Share for a period of 24 months until February 21, 2019.

As consideration for its role as finder in the Offering, Canntab granted finder warrants to purchase up to 87,634 common shares of Canntab at a price of $4.00 per Canntab Share for a period of 24 months from closing of the Offering.

Subscription Receipts

On December 19, 2017 and December 29, 2017, Canntab closed a private placement by issuing 1,251,914 Subscription Receipts at a price of $4.00 per Subscription Receipts for gross proceeds of $5,007,656

Options

As at the time of this Listing Statement Canntab has granted an aggregate of 470,000 stock options.

The Resulting Issuer

The authorized capital of the Resulting Issuer will be the same as currently authorized by the Issuer.

10.2 – 10.6 – Miscellaneous Securities Provisions

None of the matters set out in sections 10.2 to 10.6 of CSE Form 2A is applicable to the share structure of the Issuer.

10.7 Prior Sales of Common Shares

The Issuer

No common shares of the Issuer were issued during the twelve month period preceding the date of this Listing Statement other than the issuance

of 10,000,000 common shares on May 11, 2017 at $0.01 per share on the completion of a private placement.

Canntab

The following table summarizes the issuances of Canntab Shares or securities convertible into Canntab Shares for the 12 month period prior to the date of the Listing Statement:

Date Issued	Class of Security	Number of Common Shares Issued/Issuable	Price/ Exercise Price
February 21, 2017	Common Shares	1,174,800	$1.00
February 21, 2017	Options	470,000	$1.00
February 21, 2017	Finder Warrants	80,250	$1.00
February 21, 2017	Special Warrants	300,000	$1.00
December 19, 2017	Subscription Receipts	992,325	$4.00
December 29, 2017	Subscription Receipts	259,589	$4.00
December 29, 2017	Finder Warrants	87,634	$4.00

10.8 Stock Exchange Price

The Issuer's Common Shares have been listed and posted for trading on the CSE since April 21, 2011. The following table sets out the price ranges and trading volume on the CSE of the Issuer's Common Shares for the periods indicated:

Period	High ($)	Low ($)	Trading Volume
Part Month ending January 31, 2018			
Month ending December 31, 2017	0.055	0.01	65,841,748
Month ending November 30, 2017	0.05	0.005	18,446,064
Month ending October 31, 2017	0.01	0.005	334,000
Quarter ending September 30, 2017	0.02	0.01	666,542
Quarter ending June 30, 2017	0.025	0.015	1,832,915
Quarter ending March 31, 2017	0.01	0.005	3,011,935

Quarter ending December 31, 2016	0.015	0.005	2,027,031
Quarter ending September 30, 2016	0.045	0.005	2,358,937
Quarter ending June 30, 2016	0.015	0.005	4,007,460
Quarter ending March 31, 2016	0.01	0.005	1,226,284

11. Escrowed Securities

As at the date of this Listing Statement, none of the Issuer's Common Shares or other securities are held in escrow.

Upon listing of the Common Shares on the Exchange, securities held by "Principals" of the Issuer, "Principals" being (i) directors and senior officers of the Issuer or any material operating subsidiary, (ii) promoters of the Issuer during the two years preceding the Amalgamation, (iii) holders of more than 10% of the outstanding Common Shares who also have a right to elect or appoint a director or senior officer of the Issuer or a material operating subsidiary, (iv) holders of more than 20% of the outstanding Common Shares, (v) companies, trusts, partnerships or other entities held more than 50% by one or more of the foregoing, and (vi) spouses or other relatives that live at the same address as any of the foregoing. The securities are held in escrow by Capital Transfer Agency Inc., as escrow agent and depositary pursuant an escrow agreement dated April 11, 2018. 10% of such securities held in escrow will be released from escrow on the date the Common Shares are listed on the Exchange, and 15% every six months thereafter, subject to acceleration provisions provided for in National Policy 46-201 – *Escrow for Initial Public Offerings*. The following table sets forth details of the securities of the Issuer to be held in escrow following the listing of the Common Shares on the Exchange:

Number of Common Shares	% of Outstanding Common Shares	Release Schedule
7,996,000	32.66%	10% released upon Listing on the Exchange; 15% released 6 months from Listing; 15% released 12 months from Listing; 15% released 18 months from Listing; 15% released 24 months from Listing; 15% released 30 months from Listing; 15% released 36 months from Listing.

12. Principal Shareholders

Resulting Issuer

To the knowledge of the directors and senior officers of the Issuer, upon completion of the Amalgamation, no person or company will beneficially own, directly or indirectly, or exercise control or direction over, shares of the Resulting Issuer carrying more than 10% of the voting rights attached to all outstanding shares of the Resulting Issuer, other than the following principal shareholders:

Name of Principal Shareholder	Number of Common Shares Held Following the Amalgamation Indirectly	Percentage of Outstanding Common Shares Following the Amalgamation
Jeff Renwick	3,038,000	12.41%
Standard Biochem Inc.(1)	800,000	3.27%
Richard Goldstein Family Trust(2)	3,038,000	12.41%
Richard Goldstein	800,000	3.27%

Notes:
(1) Standard Biochem Inc. is a company controlled by Jeff Renwick, Director and Chief Executive Officer of Canntab.
(2) A discretionary trust controlled by Richard Goldstein, Director, Chief Financial Officer of Canntab.

13 Directors and Officers

13.1 – Directors and Officers

Resulting Issuer

Upon completion of the Amalgamation, it is anticipated that the current board of the Issuer will resign and that the Board of Directors of the Resulting Issuer will consist of the 5 current directors of Canntab:.

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

expected to be as follows:

Name & Municipality of Residence and Position	Present Occupation and Positions Held During the Last Five Years	Period served as Director/ Officer and when his/her term with the Resulting Issuer will expire	Number of Common Shares of the Resulting Issuer Beneficially Held	Percentage of Issued and Outstanding Common Shares of the Resulting Issuer
Jeff Renwick Toronto, Ontario Chief Executive Officer, Promoter and Director	President of Standard Biochem Inc.	Proposed	3,838,000	15.68%
Richard Goldstein Toronto, Ontario Director, Chief Financial Officer and Promoter	President of First Republic Capital Corporation	Proposed	3,838,000	15.68%
Sheldon Inwentash Toronto, Ontario Director	President of ThreeD Capital Inc.	Proposed	0	0%
Vitor Fonseca Toronto, Ontario Director	Vice President and Treasurer of Romspen Investment Corporation	Proposed	0	0%
Barry M. Polisuk Toronto, Ontario Secretary and Director	Partner at Garfinkle Biderman LLP	Proposed	320,000	1.31%

13.2 Period of Service of Directors

Information on the period of service of directors is contained in the table in Section 13.1 – *Directors and Executive Officers*.

13.3 Directors and Executive Officers Common Share Ownership

Following completion of the Amalgamation, the current directors and senior officers of the Issuer as a group, directly or indirectly, will beneficially own or exercise control or director over 7,996,000 Common Shares, representing approximately 32.66% of the issued and outstanding Common Shares following completion of the Amalgamation.

13.4 Committees

The Issuer has one committee, the Audit Committee. The Issuer's audit committee is a committee of the whole board and is currently comprised of its three directors:

Stephen Coates, Bruce Reid, and Rob Kirtlan. Stephen Coates, being an executive officers of the Issuer, is not “independent” as defined in NI 52-110. The Issuer is relying on the exemption provided by section 6.1 of NI 52-110 pursuant to which the Issuer, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Following completion of the Amalgamation the Audit Committee will be comprised of Vitor Fonseca (Chair), Barry M. Polisuk and Sheldon Inwentash, each of whom is a director and financially literate in accordance with section 1.6 of NI 52-110. Messrs. Fonseca and Inwentash are independent within the meaning of section 1.4 of NI 52-110, and Barry M. Polisuk is not independent as he is an officer of the Issuer.

13.5 Principal Occupation of Directors and Officers

Information on directors and executive officers’ principal occupation is contained in the table in Section 13.1- *Directors and Executive Officers*.

13.6 Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Issuer, except as described below, none of the proposed directors or officers of the Resulting Issuer or any of their personal holding companies:

(a) is, as at the date of this Listing Statement, or has been, within ten years before the date of this Listing Statement, a director, chief executive officer or chief financial officer of any company, including the Issuer and Canntab, that:

- was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

- was subject to a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the person ceased to be a director, chief executive officer or chief financial officer of the company and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) is as at the date of this Listing Statement or has been within the 10 years before the date of this Listing Statement, a director or executive officer of any company, including the Issuer and Canntab, that while that person was acting in that capacity, or within a year of that person ceasing to act in that

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

(c) has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

To the knowledge of the issuer, none of the proposed directors or officers or any of their personal holding companies has been subject to:

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

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

13.7, 13.8 Penalties or Sanctions

No proposed director, officer, or promoter of the Resulting Issuer, or any shareholder anticipated to hold a sufficient amount of securities of the Resulting Issuer to materially affect control of the Resulting Issuer, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self- regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

13.9 – Personal Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or a shareholder anticipated to hold a sufficient amount of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years preceding the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

13.10 Conflicts of Interest

The Board of Directors of the Issuer is required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests which they may have in any project or opportunity of the Issuer. If a conflict arises, any Director in a conflict will disclose his interest and abstain from voting on such matter at a meeting of the Board of Directors.

To the best of the Issuer's knowledge and other than as disclosed herein, there are no existing or potential conflicts of interest among the Issuer, its promoters, Directors, officers or other members of management of the Issuer except that certain of the Directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies and their duties as a Director, officer, promoter or member of management of the Issuer.

The Directors and officers of the Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by Directors of conflicts of interest and the Issuer will rely upon such laws in respect of any Directors' and officers' conflicts of interest or in respect of any breaches of duty to any of its Directors and officers.

13.11 **Management**

Current Management

Stephen Coates, Age 46 (Current CEO and Director)

Mr. Coates is a founder and principal of Grove Capital Group Ltd, a merchant bank specializing in the incubation and development of businesses across the world. Mr. Coates previously founded and served as CEO of TSX-listed Homeland Energy Group and with 20 years' experience in the resource and financial industries, brings together strengths in business development, communications and finance to create strategic relationships for success. Stephen Coates began his career in investment management and advisory services at RBC Dominion Securities in Canada. Following which he joined Independent Equity Research Corp. as Vice President, Business Development. In 2003, Mr. Coates formed Grove Capital to provide business development and strategic relationship advice to small-cap public companies primarily in the mining and resource industry. In 2006, he co-founded Homeland Uranium Inc., which subsequently gave rise to Homeland Energy Group Limited, which he served as President and Chief Executive Officer of from December 2004 to October 2009. Mr. Coates is a graduate of Kings College at the

UWO in London, Canada and has maintained an active involvement in federal, provincial and municipal politics in Canada.

Geoff Kritzinger, age 57, Chief Financial Officer

Mr. Kritzinger worked for four years following his graduation with KPMG in Edmonton, obtaining his CA designation in 1986. From 2001 to 2008, Mr. Kritzinger was a partner with Shimmerman Penn LLP, a midsized accounting firm in Toronto, where he managed a large audit practice, including public company clients in the junior mining sector and private companies in industries such as health care, manufacturing and distribution. From 2008 to 2010, Mr. Kritzinger was Chief Financial Officer of Enquest Energy Services Corp.)ENQ-TSXV), an oilfield services company with annualized revenues in excess of $150 million. Prior to his appointment as CFO of Enquest, he was also a member of the Practice Inspection Committee of the Institute of Chartered Accountants of Ontario over 2007-2008. He Mr. Kritzinger currently operates an accounting practice under Geoff Kritzinger Professional Corporation, and is also CFO of both Telferscot Resources Inc. (TFS-CNSX) and Currie Rose Resources Inc. (CUI – CSE).Homeland Uranium Inc., a reporting issuer to the OSC. Mr. Kritzinger also acted as CFO of Diamond Estates Wines & Estates Inc. (DWS-TSXV) from May 2013 until June 2014. Mr. Kritzinger graduated in 1982 with a Bachelor of Commerce degree from the University of Toronto and obtained his CA designation in 1986 after articling with KPMG in Edmonton.

Proposed Management on Completion of Amalgamation

Jeff Renwick, Age 50 (Proposed Chief Executive Officer and Director)

Mr Renwick was appointed Chief Executive Officer of Canntab on inception. Mr. Renwick is currently the President of Standard Biochem Inc., a private independent pharmaceutical consulting company. He is also the Managing Director of CMAX Technologies Inc. a private drug development and licensing company since November 2010. From June 2015 to May 2016 he was the Chief Scientific officer of Berkeley Biopharma Inc. Since February 2017 he is the on the Formulation Committee of Blue Ocean Nutrascience Inc. (TSX-BLE).

Richard Goldstein, Age 57 (Proposed Chief Financial Officer and Director)

Richard Goldstein, a Senior Investment Executive, is President of First Republic Capital Corporation, a licensed Exempt Market Dealer, specializing in equity and debt financings, M&A, and other financial advisory services. His firm is regulated by the Ontario Securities Commission. Richard is also President of CMAX Technologies Inc., a privately owned generic drug development company. Previously, Mr. Goldstein was responsible for the management of Suncor's (SU:NYSE) $200 million pension fund as Secretary of the Pension Fund Investment Committee (PFIC). Richard received his BComm from Concordia University in Management and International Business (1982) and his MBA in

Finance (1984) from McMaster University.

Sheldon Inwentash, Age 61 (Proposed Director)

Sheldon Inwentash is responsible for creating the overall strategic vision and setting the direction for ThreeD Capital Inc. (formerly Brownstone Energy Inc.). He is also the former Chairman and CEO of Pinetree Capital Ltd. and Mega Uranium Ltd. A true entrepreneur, Sheldon began his investing career while still working to attain his Chartered Accountant designation in 1981. He brings more than 25 years of experience in the investment industry and a deep understanding of progressive investment and financial management strategies. A resource and commodity industry expert, Sheldon has been successfully investing in the resource market for most of his career.

Sheldon obtained his B.Comm from the University of Toronto and is a CPA and Chartered Accountant. In 2012, Sheldon received an honorary degree, doctor of laws (LL.D) from the University of Toronto for his valuable leadership as an entrepreneur, his philanthropy, and inspirational commitment to making a difference in the lives of children, youth and their families.

Vitor Fonseca, Age 65 (Proposed Director)

Vitor Fonseca is Vice President and Treasurer of Romspen Investment Corporation where he is involved in all aspects of the company's financing and lending activities. With a portfolio of close to $2 billion Romspen is Canada's largest non-bank commercial real estate lender.

During his career, Vitor has held senior finance and operational positions in the real estate, private equity and service-oriented industries. He holds an MBA from the, Rotman School of Business at the University of Toronto, a CPA-CGA designation and is a member of the Institute of Corporate Directors.

Vitor was the chair of the audit committee of the board of Enwave Energy Corporation, one of the largest district energy companies in North America. He is currently the chair of the audit committee of Mission Ready Services, Inc. a niche manufacturer and service provider of specialized product lines to US military, law enforcement and first responder communities, listed on the TSX.

Barry M. Polisuk, Age 57 (Proposed Secretary and Director)

Mr. Polisuk has been a Partner of Garfinkle Biderman LLP since 1997, where he joined in 1995. He is a corporate and commercial lawyer focused on financings, corporate and commercial work, including securities. He acts for public and private companies, securities dealers and financial institutions on a number of public and private financings and commercial transactions. He was called to the Ontario bar in 1988. Mr. Polisuk holds a LL.B cum laude and a Quebec Civil Law Degree, both from the University of Ottawa and a B.A in Political Science from McGill University.

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted) (post-Consolidation)	Number of Securities (fully-diluted) (post-Consolidation)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	24,484,701	28,236,237	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	7,996,000	11,467,536	32.66%	40.61%
Total Public Float (A-B)	16,488,701	16,768,701	67.34%	59.39%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	7,196,400[(1)]	7,196,400[(1)]	29.39%	25.49%
Total Tradeable Float (A-C)	17,288,301	21,039,837	70.61%	74.51%

Notes:

(1) See Section 11 – Escrowed Securities. Upon the effective date of the Common Shares being listed on the Exchange, 799,600 of the Common Shares held in escrow or subject to resale restrictions will be released immediately and the remaining 7,196,400 Common Shares will be subject to escrow or resale restrictions.

Public Securityholders (Registered)

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

Issuer

Class of Security: Common Shares (Post Consolidation)

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	196	6,300
100 – 499 securities	38	9,111
500 – 999 securities	7	5,088
1,000 – 1,999 securities	7	10,343
2,000 – 2,999 securities	7	17,747
3,000 – 3,999 securities	4	14,820
4,000 – 4,999 securities	3	13,632
5,000 or more securities	13	207,471
Total	**275**	**284,512**

Resulting Issuer

Class of Security: Common Shares (Post Consolidation)

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	196	6,300
100 – 499 securities	38	9,111
500 – 999 securities	7	5,088
1,000 – 1,999 securities	7	10,343
2,000 – 2,999 securities	7	17,747
3,000 – 3,999 securities	4	14,820
4,000 – 4,999 securities	3	13,632
5,000 or more securities	163	13,494,827
Total	**425**	**13,571,868**

Public Securityholders (Beneficial)

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

Issuer

Class of Security: Common Shares (Post Consolidation)

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	616	21,111
100 – 499 securities	333	67,137
500 – 999 securities	83	50,163
1,000 – 1,999 securities	33	41,065
2,000 – 2,999 securities	10	25,657
3,000 – 3,999 securities	2	6,894
4,000 – 4,999 securities	4	18,570
5,000 or more securities	11	109,890
Unable to confirm	Unable to confirm(1)	
Total	**1,091**	**340,487**

Shares are held by an unknown number of participants (intermediaries) through CDS & Co., the Canadian depository for securities.

Resulting Issuer

Class of Security: Common Shares (Post Consolidation)

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	616	21,111
100 – 499 securities	333	67,137
500 – 999 securities	83	50,163
1,000 – 1,999 securities	33	41,065
2,000 – 2,999 securities	10	25,657
3,000 – 3,999 securities	2	6,894
4,000 – 4,999 securities	4	18,570
5,000 or more securities	228	15,607,343
Unable to confirm	Unable to confirm(1)	
Total	**1,308**	**15,837,940**

Shares are held by an unknown number of participants (intermediaries) through CDS & Co., the Canadian depository for securities.

Non-Public Securityholders (Registered)

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

Issuer

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	0	0
Total	**0**	**0**

Resulting Issuer

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	5	7,996,000
Total	**5**	**7,996,000**

14.2 Convertible / Exchangeable Securities

The following table sets out information with respect to securities outstanding that are convertible or exchangeable into Common Shares:

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Special Warrants [(1)]	1,200,000	1,200,000
Finder Warrants [(2)]	321,000	321,000

Finder Warrants [3]	350,535	350,535
Stock Options [4]	1,880,000	1,880,000

Notes:

(1) Canntab issued Jeff Renwick, Richard Goldstein and Sheldon Inwentash special warrants to purchase up to 100,000 common shares of Canntab each, for a total of 300,000 common shares, at a price of $1.00 per Canntab Share for a period of 60 months until February 21, 2022, on a post-Amalgamation basis, these are 400,000 each at $0.25 per share.

(2) As consideration for its role as finder in the initial private placement of Canntab, Canntab granted finder warrants to purchase up to 80,250 common shares of Canntab at a price of $1.00 per Canntab Share for a period of 24 months until February 21, 2019, on a post-Amalgamation basis, these are 321,000 at $0.25 per share.

(3) As consideration for its role as finder in the Offering, Canntab granted finder warrants to purchase up to 87,634 common shares of Canntab at a price of $4.00 per Canntab Share for a period of 24 months from closing of the Offering, on a post-Amalgamation basis, these are 350,535 at $1.00 per share.

(4) Canntab has granted an aggregate of 470,000 stock options, see Item 9, on a post-Amalgamation basis, these are 1,880,000 at $0.25 per share.

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

There are no listed securities reserved for issuance that are not included in section 14.2.

15. Executive Compensation

Compensation Discussion and Analysis

Securities legislation requires the disclosure of compensation received by each “Named Executive Officer” of the Issuer for the three most recently completed financial years. “Named Executive Officer” is defined by the legislation to mean (i) each of the Chief Executive Officer and the Chief Financial Officer of the Issuer, (ii) each of the Issuer's three most highly compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation exceeds $150,000, and (iii) any additional individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an executive officer of the Issuer at the end of the most recently completed financial year end of the Issuer.

During Canntab's most recently completed financial year ended May 31, 2017, Canntab had two Named Executive Officers: Jeff Renwick, Chief Executive Officer and Richard Goldstein, Chief Financial Officer.

The aggregate cash compensation (including salaries, fees, directors fees, commissions, bonuses paid for services rendered during the most recently completed financial year, bonuses paid for services rendered in the previous year, and any compensation other than bonuses earned during the most recently completed financial year, the payment of which was deferred) paid to the Named Executive Officers (or corporations controlled by Named Executive Officers), in the

capacity of Named Executive Officers, for the most recently completed financial year, was $40,000.00.

Summary Compensation Table

The table below sets forth information concerning the compensation paid, awarded or earned by each of the NEOs for services rendered in all capacities to the Issuer for the year ended May 31, 2017.

SUMMARY COMPENSATION TABLE									
NEO Name and Principal Position	**Year ended Feb 28**	**Salary ($)**	**Share based awards ($)**	**Option based awards[1] ($)**	**Non-Equity incentive plan compensation ($)**		**Pension Value ($)**	**All other compensation ($)**	**Total compensation ($)**
					Annual incentive plans	**Longterm incentive plans**			
Jeff Renwick CEO and Director	2017[2]	20,000	Nil	$134,300	Nil	Nil	Nil	Nil	$154,300
Richard Goldstein CFO and Director	2017[2]	20,000	Nil	$134,300	Nil	Nil	Nil	Nil	$154,300

Notes:

(1) The fair value of options and special warrants granted have been estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions: risk free interest rate of 1.03%; expected life of 5.0 years; dividend yield of nil; volatility of 150%; forfeiture rate of nil.

(2) From incorporation on April 20, 2016 to period ended May 31, 2017.

Employment Agreements

The Issuer has employment contracts with each of Jeff Renwick, Richard Goldstein and Rob Lefler.

Pension Plan Benefits

The Issuer does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

16. Indebtedness of Directors and Executive Officers

No director or officer of the Issuer, or person who acted in such capacity in the last financial year, or any other individual who at any time during the most recently completed financial year of the Issuer was a director of the Issuer or any associate of the Issuer, is indebted to the Issuer, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer.

No director or officer of Canntab, or person who acted in such capacity in the last financial year, or any other individual who at any time during the most recently completed financial year of Canntab was a director of Canntab or any associate of Canntab, is indebted to Canntab, nor is any indebtedness of any such person to another entity the subject of a guarantee, support

agreement, letter of credit or other similar arrangement or understanding provided by Canntab.

17. Risk Factors

The Common Shares of the Resulting Issuer should be considered highly speculative due to the nature of the Resulting Issuer's proposed business and the present stage of its development. In evaluating the Resulting Issuer and its new business, investors should carefully consider the following risk factors, in addition to the other information contained in this Listing Statement. These risk factors are not a definitive list of all risk factors associated with an investment in the Resulting Issuer or in connection with the Resulting Issuer's operations.

A description of the risk factors associated with the Issuer's previous business related to its Mining Assets is included in the Issuer's Initial Listing Statement.

The Issuer's actual operating results may be very different from those expected as at the date of this Listing Statement.

Specific Risks Related to the Transaction

There is no assurance that Transaction will be completed.

Risks Related to Canntab's Business and Industry

Our business is dependent sourcing Cannabis

Canntab's ability to produce, store and sell its XR tablets in Canada is dependent being able to source cannabis from a licensed producer. Failure to source the cannabis would have a material adverse impact on the business, financial condition and operating results of Canntab.

Marijuana Sector Risks

As discussed further below, subject to further clarity on the position of the U.S. Federal Government on the enforcement of U.S. federal laws relating to the marijuana industry, Canntab intends to eventually manufacture and distribute its product in select states within the United States, and directly derive a portion of its revenues from, the marijuana industry in certain U.S. states, which industry is illegal under U.S. federal law. Canntab may therefore be directly involved in the marijuana industry in the United States where local state law permits such activities, as well as the marijuana industry in Canada.

As discussed under "United States Marijuana Industry Risk", as a result of the conflicting views between state legislatures and the U.S. federal government regarding marijuana, marijuana businesses in the

United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the CSA (as defined below) with respect to marijuana and there can be no assurance as to the timing or scope of any such potential amendments, there is a risk that U.S. federal authorities may enforce current federal law, which may adversely affect the planned future operations of Canntab in the United States. As such, there are a number of risks associated with Canntab's planned future operations in the United States, and such operations may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, Canntab may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on Canntab's ability to operate in the United States. Canntab has not yet commenced any marijuana-related activities in the United States, nor has it determined in which states it will operate. Prior to commencing any such marijuana-related activities, Canntab intends to obtain legal advice and develop a compliance program to ensure, to the greatest extent possible, that Canntab conducts its operations in compliance with applicable state laws and limits its potential exposure arising from federal laws, and will do so for each state in which it proposes to operate.

Canadian Marijuana Industry Risk

Canada has regulated medical use and commercial activity involving cannabis and recently released Bill C-45, which proposes the enactment of the *Cannabis Act*, to regulate the production, distribution and sale of cannabis for unqualified adult use. On November 27, 2017, the House of Commons passed Bill C-45, and on December 20, 2017, the Prime Minister communicated that the Canadian Federal Government intends to legalize cannabis in the summer of 2018.

There can be no assurance that Bill C-45 will be passed into law, or passed into law substantially in its current form. Further, even if Bill C-45 is passed into law, the importation, exportation, production, testing, packaging, labelling, sending, delivery, transportation, sale, possession or disposal of cannabis or any class of cannabis will remain subject to extensive regulatory oversight. Such extensive controls and regulations may significantly affect the financial condition of market participants, and prevent the realization of such market participants of any benefits from an expanded market for recreational cannabis products

United States Marijuana Industry Risk

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

Unlike Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the *Access to Cannabis for Medical Purposes Regulations*, the United States largely regulates cannabis at the state level. To Canntab's knowledge, there are approximately 30 states, plus the District of Columbia, Puerto Rico and Guam that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the U.S. state level, cannabis continues to be categorized as a controlled substance under the *Controlled Substances Act* (the "**CSA**") in the U.S. and as such, it is illegal under federal law in the United States.

The U.S. Congress has passed appropriations bills in each of the last three years that have not appropriated funds for prosecution of cannabis offenses of individuals who are in compliance with state medical cannabis laws. American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those individuals comply with state law. However, because this conduct continues to violate federal law, American courts have observed that should Congress at any time choose to appropriate funds to fully prosecute the CSA, any individual or business - even those that have fully complied with state law - could be prosecuted for violations of federal law. If Congress restores funding, the U.S. federal government will have the authority to prosecute individuals for violations of the law before it lacked funding under the CSA's five-year statute of limitations. Violations of any U.S. federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on Canntab, including its reputation and ability to conduct business, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for Canntab to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

As a result of the conflicting views between state legislatures and the U.S. federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. The response to this inconsistency was addressed in August 2013 when then Deputy Attorney General, James Cole, authored a memorandum (the "**Cole Memorandum**") addressed to all U.S. district attorneys acknowledging that notwithstanding the designation of cannabis as a controlled substance at the federal level in the U.S., several U.S. states have enacted laws relating to cannabis for medical purposes. The Cole Memorandum outlined certain priorities for the Department of Justice relating to the prosecution of cannabis offenses. In particular, the Cole Memorandum noted that in jurisdictions that have enacted

laws legalizing cannabis in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale and possession of cannabis, conduct in compliance with those laws and regulations is less likely to be a priority at the federal level. Notably, however, the Department of Justice has never provided specific guidelines for what regulatory and enforcement systems it deems sufficient under the Cole Memorandum standard.

However, on January 4, 2018, the U.S. federal government rescinded all previous nationwide guidance specific to marijuana enforcement, including the Cole Memorandum. With the Cole Memorandum rescinded, U.S. federal prosecutors may exercise their discretion in determining whether to prosecute cannabis-related violations of U.S. federal law. It is possible that further regulatory developments in the U.S. could significantly adversely affect the business, financial condition and results of businesses involved in the cannabis industry.

Notwithstanding the foregoing, pursuant to the Rohrabacher Blumenauer Amendment ("**RBA**"), until September 2018, the Department of Justice is prohibited from expending any funds for the prosecution of medical cannabis businesses operating in compliance with state and local laws. Thereafter, if the RBA or an equivalent thereof is not successfully amended to the next or any subsequent federal omnibus spending bill, there can be no assurance that the U.S. federal government will not seek to prosecute cases involving medical cannabis businesses that are otherwise compliant with state law. Such potential proceedings could involve significant restrictions being imposed upon Canntab or third parties, while diverting the attention of key executives. Such proceedings could have a material adverse effect on Canntab's business, revenues, operating results and financial condition as well as Canntab's reputation, even if such proceedings were concluded successfully in favour of Canntab.

In addition, given the heightened risk profile associated with cannabis in the United States, CDS may implement procedures or protocols that would prohibit or significantly curtail the ability of CDS to settle trades for cannabis companies that have marijuana businesses or assets in the United States. It is not certain whether CDS will decide to enact such measures, nor whether it has the authority to do so unilaterally. However, if CDS were to decide that it will not handle trades in our securities, it could have a material adverse effect on the ability of investors to settle trades in a timely manner and on the liquidity of Canntab's securities generally.

Regulatory risks

Successful execution of Canntab's strategy is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The commercial medical cannabis industry is a new industry and Canntab cannot predict the impact of the compliance regime Health Canada is implementing for the Canadian medical cannabis industry. Similarly, Canntab

cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. The impact of Health Canada's compliance regime, any delays in obtaining, or failure to obtain regulatory approvals may significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on the business, financial condition and operating results of Canntab.

Canntab will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on Canntab's operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to Canntab's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, financial condition and operating results of Canntab.

Change in laws, regulations and guidelines

Canntab's operations are subject to various laws, regulations and guidelines relating to the manufacture, management, packaging/labelling, advertising, sale, transportation, storage and disposal of medical cannabis but also including laws and regulations relating to drug, controlled substances, health and safety, the conduct of operations and the protection of the environment. While to the knowledge of Management, other than routine corrections that may be required by Health Canada from time to time, Canntab is currently in compliance with all such laws. Changes to such laws, regulations and guidelines due to matters beyond the control of Canntab may cause adverse effects to its operations.

Health Canada inspectors routinely assess Canntab's facilities against applicable regulations and provide follow up reports noting any observed deficiencies. Canntab is continuously reviewing and enhancing its operational procedures and facilities both proactively and in response to routine inspections. Canntab follows all regulatory requirements in response to inspections in a timely manner.

Canntab endeavours to comply with all relevant laws, regulations and guidelines. To Canntab's knowledge, it is in compliance or in the process of being assessed for compliance with all such laws, regulations and guidelines as described elsewhere in this Listing Statement.

We rely on Management and need additional key personnel to grow our business, and the loss of key employees or inability to hire key personnel could harm our business.

We believe our success has depended, and continues to depend, on the efforts and talents of our executives and employees, including Jeff Renwick, our CEO. Our future success depends on our continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and we may incur significant costs to attract and retain them. In addition,

the loss of any of our senior management or key employees could materially adversely affect our ability to execute our business plan and strategy, and we may not be able to find adequate replacements on a timely basis, or at all. We do not maintain key person life insurance policies on any of our employees.

Factors which may prevent realization of growth targets

Canntab is currently in the expansion from early development stage. Canntab's growth strategy contemplates outfitting the Markham, Ontario facility with additional production resources. There is a risk that these additional resources will not be achieved on time, on budget, or at all, as they can be adversely affected by a variety of factors, including some that are discussed elsewhere in these Risk Factors and the following:

- failure or delays in obtaining, or conditions imposed by, regulatory approvals
- facility design errors
- environmental pollution; non-performance by third party contractors; increases in materials or labour costs; construction performance falling below expected levels of output or efficiency
- breakdown, aging or failure of equipment or processes
- contractor or operator errors
- operational inefficiencies
- labour disputes, disruptions or declines in productivity; inability to attract sufficient numbers of qualified workers; disruption in the supply of energy and utilities
- major incidents and/or catastrophic events such as fires, explosions or storms

As a result, there is a risk that Canntab may not have product or sufficient product available to meet the anticipated demand or to meet future demand when it arises.

Canntab may experience additional expenditures related to unforeseen issues that have not been taken into account in the preparation of this Listing Statement.

Additional financing

There is no guarantee that Canntab will be able to execute on its strategy. The continued development of Canntab may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business strategy or Canntab ceasing to carry on business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to Canntab. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. In addition, from time to time, Canntab may enter into transactions to acquire assets or the shares of other Companies. These transactions may be financed wholly or partially with debt, which may temporarily increase Canntab's debt levels above industry standards. Any debt financing

secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for Canntab to obtain additional capital and to pursue business opportunities, including potential acquisitions. Debt financings may contain provisions, which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that Canntab would be able to repay such loans in such an event or prevent the enforcement of security granted pursuant to such debt financing. Canntab may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict Canntab's ability to pursue its business objectives.

Competition

There is potential that Canntab will face intense competition from other companies, some of which can be expected to have more financial resources and manufacturing and marketing experience than Canntab. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of Canntab.

Client acquisition and retention

Canntab's success depends on its ability to attract and retain patients. There are many factors which could impact Canntab's ability to attract and retain patients, including but not limited to Canntab's ability to continually produce desirable and effective product, the successful implementation of Canntab's patient- acquisition plan and the continued growth in the aggregate number of patients selecting medical cannabis as a treatment option and other companies producing and supplying similar products. Canntab's failure to acquire and retain patients would have a material adverse effect on the business, financial condition and operating results of Canntab.

Research and development and product obsolescence

Rapidly changing markets, technology, emerging industry standards and frequent introduction of new products characterize Canntab's business. The introduction of new products embodying new technologies, including new manufacturing processes, and the emergence of new industry standards may render Canntab's products obsolete, less competitive or less marketable. The process of developing Canntab's products is complex and requires significant continuing costs, development efforts and third party commitments. Canntab's failure to develop new technologies and products and the obsolescence of existing technologies could adversely affect the business, financial condition and operating results of Canntab. Canntab may be unable to anticipate changes in its potential customer requirements that could make Canntab's existing technology obsolete. Canntab's success will depend, in part, on its ability to continue to enhance its existing technologies, develop new technology that addresses the increasing sophistication and varied needs of the market, and respond to technological advances and emerging industry standards and practices on a timely and cost-effective basis. The development of Canntab's proprietary technology entails significant technical and business risks. Canntab may not be successful in using

its new technologies or exploiting its niche markets effectively or adapting its businesses to evolving customer or medical requirements or preferences or emerging industry standards.

We may be subject to unfavourable publicity or consumer perception

Canntab believes the medical cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical cannabis produced. Consumer perception of Canntab's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for Canntab's products and the business, results of operations, financial condition and cash flows of Canntab. Canntab's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on Canntab, the demand for Canntab's products, and the business, results of operations, financial condition and cash flows of Canntab. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical cannabis in general, or Canntab's products specifically, or associating the consumption of medical cannabis with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products legally, appropriately or as directed.

Product liability

As a manufacturer and distributor of products designed to be ingested by humans, Canntab faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of cannabis products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of cannabis products alone or in combination with other medications or substances could occur. Canntab may be subject to various product liability claims, including, among others, that the products produced by Canntab caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against Canntab could result in increased costs, could adversely affect Canntab's reputation with its clients and consumers generally, and could have a material adverse effect on the business, financial condition and operating results of Canntab. There can be no

assurances that Canntab will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of products.

Product recalls

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

Reliance on key inputs

Canntab's business is dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of Canntab. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of Canntab.

Difficulty to forecast

Canntab must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the medical cannabis industry in Canada. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of Canntab.

Operating risk and insurance coverage

Canntab has insurance to protect its assets, operations and employees. While Canntab believes its insurance coverage addresses all material risks to which it is exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which Canntab is exposed. In addition, no assurance can be given that such insurance will be adequate to cover Canntab's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If Canntab were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if Canntab were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Management of growth

Canntab may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The ability of Canntab to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of Canntab to deal with this growth may have a material adverse effect on Canntab's business, financial condition, results of operations and prospects.

Conflicts of interest

Canntab may be subject to various potential conflicts of interest because of the fact that some of its officers and directors may be engaged in a range of business activities. In addition, Canntab's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to Canntab. In some cases, Canntab's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to Canntab's business and affairs and that could adversely affect Canntab's operations. These business interests could require significant time and attention of Canntab's executive officers and directors.

In addition, Canntab may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or Companies with which Canntab may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of Canntab. In addition, from time to time, these persons may be competing with Canntab for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, in the event that such a conflict of interest arises at a meeting of Canntab's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of

Canntab are required to act honestly, in good faith and in the best interests of Canntab.

Unpredictable and volatile market price for Common Shares

The market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control, including the following:

- actual or anticipated fluctuations in our quarterly results of operations
- recommendations by securities research analysts
- changes in the economic performance or market valuations of companies in the industry in which we operate
- addition or departure of our executive officers and other key personnel
- release or expiration of lock-up or other transfer restrictions on outstanding Common Shares
- sales or perceived sales of additional Common Shares
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving us or our competitors
- operating and share price performance of other companies that investors deem comparable to us
- fluctuations to the costs of vital production materials and services
- changes in global financial markets and global economies and general market conditions, such as interest rates and pharmaceutical product price volatility
- operating and share price performance of other companies that investors deem comparable to Canntab or from a lack of market comparable companies
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in our industry or target markets

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if our operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which might result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, our operations could be

adversely affected and the trading price of the Common Shares might be materially adversely affected.

No dividends

Our current policy is to retain earnings to finance the development and enhancement of our products and to otherwise reinvest in Canntab. Therefore, we do not anticipate paying cash dividends on the Common Shares in the foreseeable future. Our dividend policy will be reviewed from time to time by our Board of Directors in the context of our earnings, financial condition and other relevant factors. Until the time that we do pay dividends, which we might never do, our shareholders will not be able to receive a return on their Common Shares unless they sell them. See “Dividend Policy”.

Future sales of Common Shares by existing shareholders

Sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Common Shares intend to sell Common Shares, could reduce the market price of our Common Shares. Holders of options to purchase Common Shares will have an immediate income inclusion for tax purposes when they exercise their options (that is, tax is not deferred until they sell the underlying Common Shares). As a result, these holders may need to sell Common Shares purchased on the exercise of options in the same year that they exercise their options. This might result in a greater number of Common Shares being sold in the public market, and fewer long-term holds of Common Shares by Management and our employees.

Use of proceeds

We cannot specify with certainty the particular uses of the net proceeds we will receive from this Offering. Management will have broad discretion in the application of the net proceeds, including for any of the purposes described in “Use of Proceeds”. Accordingly, a purchaser of Common Shares will have to rely upon the judgment of Management with respect to the use of the proceeds, with only limited information concerning Management’s specific intentions. Management may spend a portion or all of the net proceeds from this Offering in ways that our shareholders might not desire, that might not yield a favourable return and that might not increase the value of a purchaser’s investment. The failure by Management to apply these funds effectively could harm our business. Pending use of such funds, we might invest the net proceeds from this Offering in a manner that does not produce income or that loses value.

Dilution and future sales of Common Shares

The initial offering price of our Common Shares will significantly exceed the net tangible book value per share of our Common Shares. Accordingly, if an investor purchases Common Shares under the Offering, the investor will incur immediate and substantial dilution of its investment. If the outstanding options to purchase our Common Shares are exercised, an investor will incur additional dilution. See “Options to Purchase Common Shares”.

In addition, we may issue additional Common Shares in the future, which may dilute a Shareholder's holding in Canntab. Our articles will permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuances. The directors of Canntab have the discretion to determine if an issuance of Common Shares is warranted, the price at which such issuance is effected and the other terms of issue of Common Shares. Also, we may issue additional Common Shares upon the exercise of options to acquire Common Shares under the Stock Option Plan, which will result in further dilution to the Shareholders.

18. Promoters

There are no persons performing Investor Relations Activities for the Issuer and there have been no persons performing such services within the last two years.

Other than Messrs. Goldstein and Renwick, there are no promoters of the Canntab.

19. Legal Proceedings

19.1 Legal Proceedings

There are no legal proceedings material to the Issuer to which the Issuer is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Issuer to be contemplated.

There are no legal proceedings material to the Issuer to which Canntab is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Issuer to be contemplated

19.2 Regulatory Actions

The Resulting Issuer is not subject to any penalties or sanctions imposed by any court or regulatory authority relating to securities legislation or by a securities regulatory authority, nor has the Resulting Issuer entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that are necessary to provide full, true and plain disclosure of all material facts relating to the Issuer's securities or would be likely to be considered important to a reasonable investor making an investment decision.

20. Interest of Management and Others in Material Transactions

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

any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer.

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

During period from the date of incorporation to the date of this Listing Statement, Canntab paid $38,000 in legal fees in respect of legal services provided by a law firm whose partner, Barry M. Polisuk, is a director of Canntab.

21. Auditors, Transfer Agents and Registrars

21.1 Auditor

The auditor for the Issuer is the firm of MNP LLP, located at 50 Burnhamthorpe Road West, Suite 900, Mississauga, ON L5B 3C2 and was appointed on April 23rd, 2012.

The auditor of Canntab is the firm of MNP LLP, located at 111 Richmond Street West Suite 300 Toronto, ON M5H 2G4; they were appointed on April 20, 2016.

21.2 Registrar and Transfer Agent

The registrar and transfer agent of the Issuer's Common Shares is Capital Transfer Agency Inc. 401 - 121 Richmond St. West, Toronto ON M5H 2K1

22. Material Contracts

The Issuer has not entered into any material contracts within the two years before the date of this Listing Statement, other than contracts entered into in the ordinary course of business, except as follows:

1. Amalgamation Agreement dated January 12, 2018 among the Issuer, Canntab, and 2611780 Ontario Inc.

Canntab has not entered into any material contracts within the two years before the date of this Listing Statement, other than contracts entered into in the ordinary course of business, except as follows:

1. Amalgamation Agreement dated January 12, 2018 among the Issuer, Canntab, and 2611780 Ontario Inc.

2. Exclusive License Agreement dated December 1, 2016 between Canntab and CMAX Technologies Inc.;

3. Sublease dated December 1, 2016 between Canntab and CMAX Technologies Inc.; and

4. Collaboration and License Agreement dated October 3, 2017 with Emblem Cannabis Corporation.

Copies of these agreements are or will be made available upon request from Garfinkle Biderman LLP, 1 Adelaide Street East, Suite 801, Toronto, ON M5C 2V9 at any time during ordinary business hours.

23 Interest of Experts

Certain legal matters relating to this Offering will be passed upon by Garfinkle Biderman LLP, on behalf of the Canntab, and by Gardiner Roberts LLP, on behalf of the Issuer. MNP LLP is the auditor of the Issuer and Canntab.

Except as set out below, as of the date of this Listing Statement, none of the aforementioned persons or their respective partners or employees and no person whose profession or business gives authority to a statement made by such person who is named in this Listing Statement:

(a) beneficially owns, directly or indirectly, any securities of the Issuer or Canntab or their Associates and Affiliates; or

(b) is or is expected to be elected, appointed or employed as a senior officer, director or employee of the Issuer or Canntab or of an Associate or Affiliate of the Issuer or Canntab, or a promoter of the Canntab or of an Associate or Affiliate of Canntab.

Partner and associates of Garfinkle Biderman LLP, beneficially will own 320,000 Common Shares of the Issuer on a post-Amalgamation basis, and Barry M. Polisuk, Partner of Garfinkle Biderman LLP is a Director and the Secretary of Canntab and is a proposed Director and the Secretary of the Resulting Issuer.

24. Other Material Facts

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Issuer, Canntab and their securities which are necessary in order for this Listing Statement to contain full, true and plain

disclosure of all material facts relating to the Issuer, Canntab and their respective securities.

25. Financial Statements

Attached as schedules to this Listing Statement or incorporated by reference in this Listing Statement, are each of the following financial statements:

(a) Annual Financial Statements

i. Schedule “A” - audited financial statements of Canntab for the financial years ended May 31, 2017;
ii. Audited financial statements of the Issuer for the financial years ended December 31, 2016 has been posted and is accessible at www.sedar.com;

(b) Interim Financial Statements

i. Schedule “B” - unaudited interim financial statements of Canntab for the six-month period ended November 30, 2017;
ii. Unaudited interim financial statements of the Issuer for the nine-month period ended September 30, 2017 has been posted and is accessible at www.sedar.com.

The first certificate below must be signed by the CEO, CFO, any person or company who is a promoter of the Issuer and two directors of the Issuer. In the case of an Issuer re-qualifying following a fundamental change, the second certificate must also be signed by the CEO, CFO, any person or company who is a promoter of the target and two directors of the target.

CERTIFICATE OF THE ISSUER

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

Dated at Toronto

this 17 day of April, 2018.

"Stephen Coates" (signed)	*"Geoff Kritzinger" (signed)*
Chief Executive Officer	Chief Financial Officer
"Bruce Reid" (signed)	*"Rob Kirtlan" (signed)*
Director	Director

CERTIFICATE OF THE TARGET

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

Dated at Toronto

this 17 day of April, 2018.

"Jeff Renwick" (signed)
Jeff Renwick
Chief Executive Officer

"Richard Goldstein" (signed)
Richard Goldstein
Chief Financial Officer

"Vitor Fonseca" (signed)
Vitor Fonseca
Director

"Barry M. Polisuk" (signed)
Barry M. Polisuk
Director

"Jeff Renwick" (signed)
Jeff Renwick
Promoter

"Richard Goldstein" (signed)
Richard Goldstein
Promoter

SCHEDULE "A"
AUDITED FINANCIAL STATEMENTS OF CANNTAB FOR THE FINANCIAL YEARS ENDED MAY 31, 2017

Canntab Therapeutics Limited

Financial Statements

For the years ended May 31, 2017 and 2016

Independent Auditors' Report

To the Shareholders of Canntab Therapeutics Limited:

We have audited the accompanying financial statements of Canntab Therapeutics Limited, which comprise the statements of financial position as at May 31, 2017 and 2016, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year ended May 31, 2017 and for the period from the date of incorporation (April 20, 2016) to May 31, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canntab Therapeutics Limited as at May 31, 2017 and May 31, 2016 and its financial performance and its cash flows for the year ended May 31, 2017 and for the period from the date of incorporation (April 20, 2016) to May 31, 2016 in accordance with International Financial Reporting Standards.

MNP LLP

Toronto, Ontario
October 3, 2017

Chartered Professional Accountants
Licensed Public Accountants

MNP LLP

Canntab Therapeutics Limited
Statement of Financial Position
(in Canadian Dollars)

		May 31, 2017		May 31, 2016
Assets				
Current				
Cash	**$**	**958,620**	$	-
Other receivables (Note 3)		**40,697**		60,207
		999,317		60,207
Equipment (Note 5)		**98,958**		-
Intangible assets (Note 4)		**39,000**		-
Total Assets	**$**	**1,137,275**	$	60,207
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 9)	**$**	**98,720**	$	
		98,720		-
Shareholders' Equity				
Share capital		**1,400,107**		60,207
Contributed surplus		**754,700**		-
Deficit		**(1,116,252)**		-
		1,038,555		60,207
Total Liabilities and Shareholders' Equity	**$**	**1,137,275**	$	60,207

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

Approved by the Board **Richard Goldstein** Director **(Signed)** **Jeff Renwick** Director **(Signed)**

Canntab Therapeutics Limited
Statement of Loss and Comprehensive Loss
For the year ended May 31, 2017 and for the Period from the Date of Incorporation (April 20, 2016) to May 31, 2016
(in Canadian Dollars)

		2017		2016
Expenses				
Research and development	**$**	**40,685**	$	-
Consulting fees (Note 9)		**211,143**		-
Professional fees		**54,100**		-
Rent expense		**84,000**		-
Depreciation and amortization		**1,615**		-
General and administrative expenses		**43,109**		-
Stock based compensation (Note 7)		**681,600**		-
Net loss and comprehensive loss for the period		**(1,116,252)**		-
Net loss per share - basic and diluted (Note 10)		**(0.30)**		-
Weighted average shares outstanding		**3,746,235**		3,300,000

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

Canntab Therapeutics Limited
Statement of Changes in Shareholders' Equity
For the year ended May 31, 2017 and for the Period from the Date of Incorporation (April 20, 2016) to May 31, 2016

(in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Shareholders' Equity
Balance April 20, 2016	**-**	**$ -**	**$ -**	**$ -**	**$ -**
Private placements and share issuances	3,300,000	60,207	-	-	60,207
Balance May 31, 2016	**3,300,000**	**$ 60,207**	**$ -**	**$ -**	**$ 60,207**
Balance May 31, 2016	**3,300,000**	**60,207**	**-**	**-**	**60,207**
Private placements and share issuances (Note 6)	1,413,000	1,339,900	73,100	-	1,413,000
Special warrant issuance (Note 8)	-		272,640	-	272,640
Stock options (Note 7)	-	-	408,960	-	408,960
Net loss for the year	**-**	**-**		(1,116,252)	(1,116,252)
Balance May 31, 2017	**4,713,000**	**$ 1,400,107**	**$ 754,700**	**$ (1,116,252)**	**$ 1,038,555**

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

Canntab Therapeutics Limited
Statement of Cash Flows
For the year ended May 31, 2017 and for the Period from the Date of Incorporation (April 20, 2016) to May 31, 2016 (in Canadian Dollars)

		2017		2016
Cash flows from operations				
Net loss for the period	**$**	**(1,116,252)**	$	-
Items not effecting cash:				
Depreciation and amortization (Note 4 & 5)		**1,615**		-
Stock based compensation (Note 7)		**681,600**		-
Changes in other receivables		**19,510**		(60,207)
Changes in trade and other payables		**58,720**		-
		(354,807)		(60,207)
Investing activities				
Purchase of property, plant and equipment (Notes 5)		**(99,573)**		-
		(99,573)		-
Financing activities				
Proeeds from the issuance of common shares (Note 6)		**1,413,000**		60,207
		1,413,000		60,207
Net change in cash		**958,620**		-
Cash, beginning of year		**-**		-
Cash, end of year	**$**	**958,620**	$	-

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

1. INCORPORATION AND NATURE OF BUSINESS

Canntab Therapeutics Limited (the Company") was incorporated on April 20,2016 under the Canada Business Corporations Act. The company uses a licensed proprietary technology to produce extended release capsules and tablets containing cannabis resin.

On October 3, 2017, the Board of Directors approved the financial statements for the period from Date of Incorporation (April 20, 2016) to May 31, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Financial Instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available for sale, FVTPL liabilities or other financial liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivables, and other financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

The Corporation has classified its financial instruments as follows:

Financial Instrument	**Classification**
Cash	Fair value through profit and loss
Other receivables	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Intangible Assets

Intangible assets are recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Amortization commences when the intangible asset is available for use and for patented assets is computed on a straight-line basis over the intangible asset's estimated useful life. The Company's only intangible asset consists of a license agreement which is being amortized over a 20 year period.

Equipment

Equipment is stated at cost, net of accumulated depreciation and impairment losses if any. The equipment on the financial statements is production equipment which is depreciated straight line at a rate of 30% a year.

Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of operations and comprehensive income.

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

The Company accounts for warrants using the Black-Scholes pricing model at the date of issuance. The value of the warrants at the date of issuance is included in contributed surplus

Stock-based Compensation

The Company has a stock option plan for directors, officers and employees. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over each tranche's vesting period, based on the number of awards expected to vest, with the offset credited to contributed surplus. The number of awards expected to vest is reviewed quarterly, with any impact being recognized immediately. When options are exercised, the amount received is credited to share capital and the fair value attributed to these options is transferred from contributed surplus to share capital.

Estimates

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements.

Areas where estimates are significant to these financial statements are as follows:

(a) The estimates used in determining the stock option and warrant fair values, utilizes estimates made by management in determining the appropriate input variables in the Black-Scholes valuation model.
(b) The carrying value of intangible assets that are included in the statements of financial position are based on management assessments of the recoverable amount of the asset.

Loss per Share

Basic loss per share is calculated on the basis of losses attributable to the holders of common shares, divided by the weighted average number of common shares outstanding during the period. Diluted per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares are exercised or converted to common shares. Diluted loss per share is equal to basic loss per share when the effect of dilutive securities is anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Standards Issued But Not Yet Applied

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRS Interpretations Committee ("IFRIC") that are mandatory and which the Corporation reasonably expects to be applicable for later periods are listed below. The Corporation has not early adopted these revised standards and none of these standards are expected to have a material effect on the financial statements.

IFRS 9, Financial Instruments ("IFRS 9") was initially issued by the IASB on November 12, 2009 and issued in its completed version in July 2014, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for financial years beginning on or after January 1, 2018. The Corporation anticipates that this standard will be adopted in the Corporation's financial statements for the year beginning January 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

IFRS 16, Leases ("IFRS 16") was issued on January 13, 2016. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15, "Revenue from contracts with customers" at or before the date of initial adoption of IFRS 16. IFRS 16 will replace IAS 17, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The extent of the impact of adoption of this standard has not yet been determined.

(in Canadian Dollars)

3. OTHER RECEIVABLES

As at May 31, 2017 other receivables consist of the following:

		May 31, 2017		May 31, 2016
Subscription receivable	$	-	$	60,207
HST receivable		40,697		-
	$	40,697	$	60,207

4. INTANGIBLE ASSETS

On March 1, 2017, the Company signed a development and commercialization license agreement ("the Agreement") with CMAX Technologies Inc. ("CMAX"). Under the terms of the agreement CMAX has granted the Company an exclusive right, for a period of 20 years, to its pharmaceutical formulations and extended release technology in return for a cash payment of $40,000. As at May 31, 2017 and May 31, 2016 the $40,000 remain unpaid and was included in accounts payable and accrued liabilities.

		License Agreement
Cost		
As at April 20, 2016	$	-
Additions		
As at May 31, 2016	$	-
Additions		40,000
As at May 31, 2017	$	40,000
Accumulated Amortization		
As at May 31, 2016		-
Amortization		1,000
As at May 31, 2017	$	1,000
Net Book Value		
As at May 31, 2016	$	-
As at May 31, 2017	$	39,000

(in Canadian Dollars)

5. EQUIPMENT

		Equipment
Cost		
As at May 31, 2016	$	-
Additions		99,573
As at May 31, 2017	$	99,573
Accumulated Depreciation		
As at May 31, 2016	$	-
Depreciation		615
As at May 31, 2017	$	615
Net Book Value		
As at May 31, 2016	$	-
As at May 31, 2017	$	98,958

6. SHARE CAPITAL

Authorized - Unlimited Common Shares	May 31, 2017	May 31, 2016
Issued - 4,713,000 common shares (May 31, 2016 - 3,300,000)	$ 1,400,107	$ 60,207

a) On April 21, 2016, the Company issued 2,549,000 common shares for gross proceeds of $127.

b) On April 22, 2016, the Company issued 751,000 common shares for gross proceeds of $60,080.

c) On October 7, 2016, the Company issued 10,000 common shares for gross proceeds of $10,000.

d) On October 21, 2016, the Company issued 40,000 common shares for gross proceeds of $40,000

e) On November 29, 2016, the Company issued 188,200 common shares for gross proceeds of $188,200

f) On February 21, 2017, the Company issued 1,174,800 common shares for gross proceeds of $1,174,800. Broker options valued at $73,100 were deducted from share capital

(in Canadian Dollars)

7. STOCK OPTIONS

On April 20, 2016, the Company's directors approved and adopted a stock option plan (the "2016 Plan") for directors, officers, employees and consultants. The aggregate number of shares that may be reserved for issuance under the plan cannot exceed 10% of the total outstanding shares issued.

The following table summarizes outstanding options as at May 31, 2017.

				Black-Scholes Valuation Inputs				
	Number of Options	**Exercise Price**	**Weighted-Average Remaining Life**	**Expected Dividend Yield**	**Risk-Free Interest Rate**	**Expected Life**	**Expected Volatility**	**Forfeiture Rate**
May 31, 2016	**-**	**-**	**-**					
Granted	471,300	$1.00	4.73 Years	0%	1.03%	5 Years	150%	0%
Cancelled or expired	-	-	-	-	-	-		
Exercised	-	-	-	-	-	-		
May 31, 2017	**471,300**	**$1.00**	**4.73 Years**	-				

(a) During the year ended May 31, 2017, 471,300 options were granted (May 31, 2016 - NIL). The options granted fully vested during the year ended May 31, 2017. The fair value of the stock options issued was $408,960, which is included in contributed surplus.

(b) During the year ended May 31, 2017, no options were exercised, cancelled or expired.

(c) As at May 31, 2017, the cash amount the Company would receive if all the options were exercised is $471,300.

(in Canadian Dollars)

8. SPECIAL WARRANTS & BROKER OPTIONS

Special Warrants:

(a) During the year ended May 31, 2017, 300,000 special warrants were granted (May 31, 2016 - NIL). The fair value of the special warrants issued was $272,640, which is included in contributed surplus.

(b) During the year ended May 31, 2017, no special warrants were exercised, cancelled or expired.

(c) As at May 31, 2017, the cash amount the Company would receive if all the special warrants were exercised is $300,000

				Black-Scholes Valuation Inputs		
	Number of Options	**Exercise Price**	**Weighted-Average Remaining Life**	**Risk-Free Interest Rate**	**Expected Life**	**Expected Volatility**
May 31, 2016	**-**	**-**	**-**			
Granted	300,000	$1.00	4.73 Years	1.03%	5 Years	150%
Cancelled or expired	-	-	-	-	-	
Exercised	-	-	-	-	-	
May 31, 2017	**300,000**	**$1.00**	**4.73 Years**			

Broker Options:

a) During the year ended May 31, 2017, 80,250 broker options were granted (May 31, 2016 - NIL) in connection with the February 21, 2017 financing. The broker options were issued to an entity related to the Company by common management (Note 9). The fair value of the broker options issued was $73,100, which is included in contributed surplus.

b) During the year ended May 31, 2017, no broker options were exercised, cancelled or expired.

c) As at May 31, 2017, the cash amount the Company would receive if all the broker options were exercised is $80,250

(in Canadian Dollars)

8. SPECIAL WARRANTS & BROKER OPTIONS (Continued)

Broker Options (Continued):

				Black-Scholes Valuation Inputs		
	Number of Options	**Exercise Price**	**Weighted-Average Remaining Life**	**Risk-Free Interest Rate**	**Expected Life**	**Expected Volatility**
May 31, 2016	**-**	**-**	**-**			
Granted	80,250	$0.15	1.73 Years	1.03%	2 Years	150%
Cancelled or expired	-	-	-	-	-	
Exercised	-	-	-	-	-	
May 31, 2017	**80,250**	**$0.15**	**1.73 Years**			

9. RELATED PARTY TRANSACTIONS AND BALANCES

i) The Company incurred consulting fees of $102,315 to its key management during the period ended May 31, 2017, $31,603 was unpaid as at May 31, 2017 and is included in accounts payable and accrued liabilities. Key management was issued 112,500 stock options and 300,000 special warrants.

ii) The Company is related to CMAX by virtue of common control. The Company paid $84,000 of rent to CMAX during the year ended May 31, 2017. The Company also entered into a lease agreement, dated December 1, 2016, whereby the Company is obligated to 12 consecutive monthly rent payments of $10,000.

iii) The Company entered into a licensing agreement with CMAX. See note 4.

iv) During the year ended May 31, 2017, 80,250 broker options were granted in connection with the February 21, 2017 financing. The broker options were issued to an entity related to the Company by common management. The fair value of the broker options issued was $73,100, which is included in contributed surplus.

10. NET LOSS PER SHARE

There is no difference between the basic and diluted loss per share as the effect of the stock options, special warrants and broker options would be anti-dilutive

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.The Company includes equity, comprised of share capital and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

12. FINANCIAL RISK FACTORS

The Company's financial instruments, consisting of cash, loan receivables and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments.

The Corporation's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Corporation's financial instruments are summarized below.

Credit rate risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial liabilities as they become due. As at June 30, 2017, the Company had a cash balance of $958,620 to settle current liabilities of $98,720 and as such, is not exposed to significant liquidity risk. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and financial liabilities with variable interest rates expose the Corporation to cash flow interest rate risks. Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. As the Corporation's investments are short-term in nature, interest rate risk is remote.

b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk

(in Canadian Dollars)

13. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial corporate income taxes at statutory rates 26.5% (2016 - 26.5%) to the Company's effective income tax expense is as follows:

	2017
Net Income (Loss) before recovery of income taxes	$(1,116,252)
Expected income tax recovery	(295,807)
Non-deductible expenses	181,563
Tax rate changes and other adjustments	-
Amounts booked directly into equity	-
Change in unrecognized deferred tax assets	114,244
Net deferred tax liabilities	$ -

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2017
Non-capital losses carried forward	$ 431,110
	$ 431,110

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which can utilize the benefits therefrom.

At March 31, 2017, the Company had Canadian non-capital loss carry forwards which may be available to offset future year's taxable income. The losses expire in 2037.

14. SUBSEQUENT EVENT

On October 3, 2017, the Company entered into an exclusive collaboration and license agreement with Emblem Cannabis Corp. Under the agreement, Emblem and the Company will collaborate on the preclinical formulation, clinical development, regulatory approval, manufacturing and commercialization of the Company’s patent-pending oral sustained release formulation for cannabinoids.

SCHEDULE "B"
UNAUDITED INTERIM FINANCIAL STATEMENTS OF CANNTAB FOR THE SIX-MONTH PERIOD ENDED NOVEMBER 30, 2017

Canntab Therapeutics Limited

Condensed Interim Financial Statements

For the three and six months ended
November 30, 2016 and 2017

(Unaudited)

(in Canadian Dollars)

Canntab Therapeutics Limited
Condensed Interim Statement of Financial Position
(in Canadian Dollars)
Unaudited

		November 30, 2017		May 31, 2017
Assets				
Current				
Cash	**$**	**599,823**	$	958,620
Other receivables (Note 4)		**59,064**		40,697
		658,887		999,317
Equipment (Note 6)		**123,073**		98,958
Intangible assets (Note 5)		**38,000**		39,000
Total Assets	**$**	**819,960**	$	1,137,275
Liabilities				
Current				
Accounts payable and accrued liabilities	**$**	**45,888**	$	98,720
Deferred revenue (Note 3)		**33,333**		-
		79,221		98,720
Non-current liabilities				
Deferred revenue (Note 3)		**161,112**		-
Total Liabilities	**$**	**240,333**	$	98,720
Shareholders' Equity				
Share capital (Note 7)		**1,400,107**		1,400,107
Contributed surplus		**754,700**		754,700
Deficit		**(1,575,180)**		(1,116,252)
		579,627		1,038,555
Total Liabilities and Shareholders' Equity	**$**	**819,960**	$	1,137,275

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

Approved by the Board **Richard Goldstein** Director **(Signed)** **Jeff Renwick** Director **(Signed)**

Canntab Therapeutics Limited
Condensed Interim Statement of Loss and Comprehensive Loss
For the three and six months ended November 30, 2017 and 2016
(in Canadian Dollars)
Unaudited

	Six months ended November 30, 2017	Six months ended November 30, 2016	**Three months ended November 30, 2017**	Three months ended November 30, 2016
Revenue				
Licensing fee revenue (Note 3)	**$ 5,555**	$ -	**$ 5,555**	$ -
Expenses				
Research and development	**42,218**	-	**24,918**	-
Consulting fees (Note 10)	**204,190**	15,000	**123,390**	15,000
Professional fees	**75,580**	-	**5,450**	-
Rent expense (Note 10)	**60,000**	16,000	**30,000**	16,000
Depreciation and amortization (Note 5 and 6)	**15,844**	-	**-**	-
General and administrative expenses	**11,321**	242	**5,377**	242
Salaries and benefits	**55,330**	-	**22,467**	-
	464,483	31,242	**211,602**	31,242
Net loss and comprehensive loss for the period	**$ (458,928)**	$ (31,242)	**$ (206,047)**	$ (31,242)
Net loss per share - basic and diluted (Note 11)	**$ (0.10)**	$ (0.01)	**$** (0.04)	$ (0.01)
Weighted average shares outstanding	**4,713,000**	3,314,024	**4,713,000**	3,328,202

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

Canntab Therapeutics Limited
Condensed Interim Statement of Changes in Shareholders' Equity
For the three and six months ended November 30, 2017 and 2016
(in Canadian Dollars)
Unaudited

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Shareholders' Equity
Balance May 31, 2016	-	$ 60,207	$ -	$ -	$ 60,207
Private placements and share issuances	238,200	238,200	-	-	238,200
Net loss for the period	-	-	-	31,242	31,242
Balance November 30, 2016	**238,200**	**$ 298,407**	**$ -**	**$ 31,242**	**$ 329,649**
Balance May 31, 2017	**4,713,000**	**$ 1,400,107**	**$ 754,700**	**$ (1,116,252)**	**$ 1,038,555**
Net loss for the period	-	-	-	**(458,928)**	**(458,928)**
Balance November 30, 2017	**4,713,000**	**$ 1,400,107**	**$ 754,700**	**$ (1,575,180)**	**$ 579,627**

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

Canntab Therapeutics Limited
Condensed Interim Statement of Cash Flows
For the six months ended November 30, 2017 and 2016
(in Canadian Dollars)
Unaudited

		November 30, 2017		November 30, 2016
Cash flows from operations				
Net loss for the period	**$**	**(458,928)**	$	(31,242)
Items not effecting cash:				
Depreciation and amortization (Notes 5 and 6)		**15,843**		-
Changes in other receivables		**(18,367)**		(2,169)
Changes in deferred revenue		**194,445**		-
Changes in trade and other payables		**(52,832)**		-
		(319,839)		(33,411)
Investing activities				
Purchase of equipment (Note 6)		**(38,958)**		-
		(38,958)		-
Financing activities				
Proceeds from the issuance of common shares		-		238,200
		-		238,200
Net change in cash		**(358,797)**		204,789
Cash, beginning of period		**958,620**		**-**
Cash, end of period	**$**	**599,823**	$	204,789

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

1. INCORPORATION AND NATURE OF BUSINESS

Canntab Therapeutics Limited (the "Company") was incorporated on April 20,2016 under the Canada Business Corporations Act, with its head office located at 223 Riviera Drive, Markham, Ontario. The Company uses a licensed proprietary technology to produce extended release capsules and tablets containing cannabis resin.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. Since the financial statements do not include all disclosures required by the International Financial Reporting Standards ("IFRS") for annual financial statements, they should be read in conjunction with the Company's audited annual financial statements for the year ended May 31, 2017.

The policies set out were consistently applied to all the periods presented unless otherwise noted below. The preparation of financial statements in accordance with IAS 1 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the three and six months period ended November 30, 2017. These financial statements were approved and authorized for issue by the Board of Directors on January 3, 2018. The estimates and underlying assumptions are reviewed on an on-going basis. The estimates used in preparing the financial statements are the same as those followed in preparing the most recent audited annual consolidated financial statements.

Financial Instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available for sale, FVTPL liabilities or other financial liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivables, and other financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Cash	Fair value through profit and loss
Other receivables	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Intangible Assets

Intangible assets are recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Amortization commences when the intangible asset is available for use and for patented assets is computed on a straight-line basis over the intangible asset's estimated useful life. The Company's only intangible asset consists of a license agreement which is being amortized over a 20-year period.

Equipment

Equipment is stated at cost, net of accumulated depreciation and impairment losses if any. The equipment on the financial statements is production equipment which is depreciated straight line at a rate of 30% a year.

Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of operations and comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

Equity

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

The Company accounts for warrants using the Black-Scholes pricing model at the date of issuance. The value of the warrants at the date of issuance is included in contributed surplus.

Stock-based Compensation

The Company has a stock option plan for directors, officers and employees. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over each tranche's vesting period, based on the number of awards expected to vest, with the offset credited to contributed surplus. The number of awards expected to vest is reviewed quarterly, with any impact being recognized immediately. When options are exercised, the amount received is credited to share capital and the fair value attributed to these options is transferred from contributed surplus to share capital.

Estimates

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements.

Areas where estimates are significant to these financial statements are as follows:

(a) The estimates used in determining the stock option and warrant fair values, utilizes estimates made by management in determining the appropriate input variables in the Black-Scholes valuation model.
(b) The carrying value of intangible assets that are included in the statements of financial position are based on management assessments of the recoverable amount of the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loss per Share

Basic loss per share is calculated on the basis of losses attributable to the holders of common shares, divided by the weighted average number of common shares outstanding during the period. Diluted per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares are exercised or converted to common shares. Diluted loss per share is equal to basic loss per share when the effect of dilutive securities is anti-dilutive.

Revenue Recognition

Revenue is recognized at the fair value of consideration received or receivable. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Accounting Standards Issued but Not Yet Applied

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRS Interpretations Committee ("IFRIC") that are mandatory and which the Company reasonably expects to be applicable for later periods are listed below. The Company has not early adopted these revised standards and none of these standards are expected to have a material effect on the financial statements.

IFRS 9, Financial Instruments ("IFRS 9") was initially issued by the IASB on November 12, 2009 and issued in its completed version in July 2014, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for financial years beginning on or after January 1, 2018. The Company anticipates that this standard will be adopted in the Company's financial statements for the year beginning January 1, 2018. The Company is currently assessing the impact of this pronouncement.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Standards Issued but Not Yet Applied (Continued)

IFRS 16, Leases ("IFRS 16") was issued on January 13, 2016. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15, "Revenue from Contracts with Customers" at or before the date of initial adoption of IFRS 16. IFRS 16 will replace IAS 17, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The extent of the impact of adoption of this standard has not yet been determined.

IFRS 15, "Revenue from Contracts and Customers" ("IFRS 15") was issued by the IASB on May 28, 2014, and will replace IAS 18, "Revenue" and IAS 11, "Construction Contracts, and Related Interpretations on Revenue". IFRS 15 sets out the requirements for recognizing revenue that apply to all contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments. Companies can elect to use either a full or modified retrospective approach when adopting this standard and it is effective for annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of this pronouncement.

3. LICENSING FEE REVENUE

On October 3, 2017, the Company entered into an exclusive collaboration and license agreement ("the Agreement") with Emblem Cannabis Corp. ("Emblem"). Under the agreement, Emblem and the Company will collaborate on the preclinical formulation, clinical development, regulatory approval, manufacturing and commercialization of the Company's patent-pending oral sustained release formulation for cannabinoids.

Upon execution of the agreement, the Company received a non-refundable payment from Emblem of $200,000, which has been recorded as a deferred revenue and is being amortized over the contract term of 6 years. $5,555 of revenue has been recorded as licensing fee revenue on the statement of loss and comprehensive loss for the three and six months ended November 30, 2017.

The Agreement calls for Emblem to make payments of up to $600,000 to the Company upon achievement of certain milestones involving stability studies, bioavailability studies and regulatory approval of the Company's patent-pending oral sustained release formulation for cannabinoids.

The Agreement also calls for Emblem to make royalty payments to the Company based upon gross sales of the oral sustained release tablet formulation of cannabinoids developed.

4. OTHER RECEIVABLES

As at November 30, 2017 and May 31, 2017 other receivables consisted primarily of HST receivable.

(in Canadian Dollars)

5. INTANGIBLE ASSETS

		License Agreement
Cost		
As at May 31, 2017	$	40,000
Additions		-
As at November 30, 2017	$	40,000
Accumulated Amortization		
As at May 31, 2017	$	1,000
Amortization		1,000
As at November 30, 2017	$	2,000
Net Book Value		
As at May 31, 2017	$	39,000
As at November 30, 2017	$	38,000

(in Canadian Dollars)

6. EQUIPMENT

		Equipment
Cost		
As at May 31, 2017	$	99,573
Additions		38,959
As at November 30, 2017	$	138,532
Accumulated Depreciation		
As at May 31, 2017	$	615
Depreciation		14,844
As at November 31, 2017	$	15,459
Net Book Value		
As at May 31, 2017	$	98,958
As at November 30, 2017	$	123,073

7. SHARE CAPITAL

		Six-months Ended November 30 2017		May 31, 2017
Authorized - Unlimited Common Shares				
Issued - 4,713,000 common shares	$	1,400,107	$	1,400,107

No additional common shares were issued during the three and six months period ended November 30, 2017.

(in Canadian Dollars)

8. STOCK OPTIONS

On April 20, 2016, the Company's directors approved and adopted a stock option plan (the "2016 Plan") for directors, officers, employees and consultants. The aggregate number of shares that may be reserved for issuance under the plan cannot exceed 10% of the total outstanding shares issued.

The following table summarizes outstanding options as at November 30, 2017:

				Black-Scholes Valuation Inputs				
	Number of Options	Exercise Price	Weighted-Average Remaining Life	Expected Dividend Yield	Risk-Free Interest Rate	Expected Life	Expected Volatility	Forfeiture Rate
May 31, 2017	**471,300**	**$ 1.00**	**4.73 Years**	**0%**	**1.03%**	**5 Years**	**150%**	**0%**
Granted								
Cancelled or expired	-	-	-	-	-	-		
Exercised	-	-	-	-	-	-		
November 30, 2017	**471,300**	**$1.00**	**4.23 Years**	-				

9. SPECIAL WARRANTS & BROKER OPTIONS

The following table summarizes warrants for the period ended November 30, 2017:

				Black-Scholes Valuation Inputs		
	Number of Options	Exercise Price	Weighted-Average Remaining Life	Risk-Free Interest Rate	Expected Life	Expected Volatility
May 31, 2017	**300,000**	**$ 1.00**	**4.73 Years**	**1.03%**	**5 Years**	**150%**
Granted						
Cancelled or expired	-	-	-	-	-	
Exercised	-	-	-	-	-	
November 30, 2017	**300,000**	**$1.00**	**4.23 Years**			

(in Canadian Dollars)

9. SPECIAL WARRANTS & BROKER OPTIONS (Continued)

The following table summarizes broker options for the period ended November 30, 2017:

				Black-Scholes Valuation Inputs		
	Number of Options	Exercise Price	Weighted-Average Remaining Life	Risk-Free Interest Rate	Expected Life	Expected Volatility
May 31, 2017	**80,250**	**$ 0.15**	**1.73 Years**	**1.03%**	**2 Years**	**150%**
Granted						
Cancelled or expired	-	-	-	-	-	
Exercised	-	-	-	-	-	
November 30, 2017	**80,250**	**$0.15**	**1.23 Years**			

10. RELATED PARTY TRANSACTIONS AND BALANCES

i) The Company incurred consulting fees of $118,000 to its key management during the six months ended November 30, 2017 (November 30, 2016 - $NIL).

ii) The Company is related to CMAX Technologies Inc. by virtue of common control. The Company paid $60,000 (November 30, 2016 - $16,000) of rent to CMAX during the six months ended November 30, 2017.

11. NET LOSS PER SHARE

There is no difference between the basic and diluted loss per share, as the effect of the stock options, special warrants and broker options would be anti-dilutive.

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company includes equity, comprised of share capital and deficit in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

13. FINANCIAL RISK FACTORS

The Company's financial instruments, consisting of cash, other receivables and accounts payable and accrued liabilities, approximate fair value due to the relatively short-term maturity of the instruments.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Credit rate risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial liabilities as they become due. As at November 30, 2017, the Company had a cash balance of $599,823 to settle current liabilities of $45,888 and, as such, is not exposed to significant liquidity risk. All the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and financial liabilities with variable interest rates expose the Company to cash flow interest rate risks. Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. As the Company's investments are short-term in nature, interest rate risk is remote.

b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk

14. LETTER OF INTENT WITH TELFERSCOT RESOURCES INC.

On November 27, 2017, the Company signed a binding letter of intent ("LOI") with Telferscot Resources Inc. ("Telferscot"). The LOI calls for Telferscot to acquire the issued and outstanding shares of the Company. The LOI calls for the consolidation of the Telferscot shares on the basis of one post-consolidated share for each two hundred pre-consolidation shares. Telferscot will then acquire all of the outstanding shares of the Company at a ratio of four post consolidated Telferscot shares for every one share of the Company (the "Transaction"). A definitive agreement is anticipated to be completed January 2018, with the Transaction expected to close in February of 2018.

SCHEDULE "C"
ANNUAL MD&A OF CANNTAB FOR THE FINANCIAL YEARS ENDED MAY 31, 2017

Canntab Therapeutics Limited

Management's Discussion and Analysis

For the year ended May 31, 2017

This Management's Discussion and Analysis ("MD&A") of financial position and results of operation is prepared as at January 5, 2018 and should be read in conjunction with the audited annual financial statements and the notes thereto for the year ended May 31, 2017.

The audited annual financial statements for the year ended May 31, 2017, and comparative information presented therein, have been prepared in accordance with International Financial Reporting Standard ("IFRS") as issued by the International Accounting Standards Board ("IASB").

This MD&A was prepared by management of Canntab Therapeutics Limited (the "**Company**"), and it and the audited financial statements of the Company for the year ended May 31, 2017 were approved by the Board of Directors on January 5, 2018. All amounts are in Canadian dollars unless otherwise stated.

FORWARD LOOKING STATEMENTS

Certain statements contained within this document, and in certain documents incorporated herein by reference, constitute forward looking statements. These statements relate to future events or the Company's future performance. Forward looking statements are often, but not always, identified by the use of words: "expect", "will", "would", "seek", "anticipate", "budget", "continue", "plan", "forecast", "may", "estimate", "intend", "could", "might", "should", "believe", "potential", "target" or other similar expressions or phrases. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking statements. Management believes the expectations reflected in such forward looking statements to be reasonable based on information reviewed at the time of writing, but no assurance can be given that these expectations will prove to be correct or will lead to the expected result, and such forward looking statements included herein, or incorporated by reference into this document should not be unduly relied on.

These forward looking statements speak only as of the date of this document, or as of the date specified in the documents incorporated into this document by reference, as the case may be.

Actual results could differ materially from those anticipated in these forward looking statements as a result of the risk factors set forth in this document. These risks, uncertainties and factors may include, but are not limited to: unavailability of financing, changes in government regulation, general economic conditions, general business conditions, limited time being devoted to the business by directors, escalating professional fees, and escalating transaction costs. Readers are cautioned that the risk factors listed in this document are not exhaustive.

The forward looking statements contained in the document and documents incorporated by reference are expressly qualified by this cautionary statement. Management and the Company do not undertake any obligation to publicly update or revise any forward looking statements except as required by securities law.

OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Ontario) on April 20, 2016. Its registered head office is located 1 Adelaide Street East, Suite 801, Toronto, Ontario M5C 2V9.

The Company's principal business is the research and development using proprietary technology for developing cannabis resin into an extended release capsules and tablets.

EVALUATION OF DISCLOSURE, INTERNAL CONTROLS, AND PROCEDURES

Internal Control over Financial Reporting

Designing, establishing and maintaining adequate internal control over financial reporting is the responsibility of the Company's management. Internal control over financial reporting is a process designed by, or under the supervision of management, and affected by the Board of Directors, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements in compliance with International Financial Reporting Standards ("IFRS"). These controls include policies and procedures pertaining to the maintenance of records that, in reasonable detail, accurately reflect transactions pertaining to its assets; provide reasonable assurance that all transactions are recorded to permit the preparation of its financial statements and that expenditures are being made only in accordance with authorizations of management of the Company, and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements. Management is responsible for establishing and maintaining internal control over financial reporting and has designed and implemented such controls to ensure that the required objectives of these internal controls have been met. The management of the Company applied its judgement in evaluating the cost-benefit relationship to controls and procedures. The result of which was, because of the inherent limitations in all control systems, no evaluation of the controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Minor control deficiencies have been identified within the Company's accounting and/or finance departments and its financial information systems over segregation of duties and user access respectively. Specifically, as is common for companies of this size, certain duties within the accounting and/or finance departments were not adequately segregated due to the limited number of individuals employed in these areas. At the present time, the CEO and CFO oversee all material transactions and related accounting records. The audit committee reviews the financial statements in detail, the key risks of the Company, and queries management about all significant transactions.

For the period covered by this MD&A there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

EXECUTIVE COMPENSATION

The following table sets forth information concerning the total compensation paid to the executives of the Company during the financial years ended May 31, 2017.

Name and Principal Position	Year	Salary ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
				Annual incentive plans	Long-term incentive plans			
Jeff Renwick *Director and Chief Executive Officer*	2017	20,000)	134,300 (1)	N/A(1)	N/A	N/A	N/A	154,300
Richard Goldstein *Director and Chief Financial Officer*	2017	20,000(1)	134,300 (1)	N/A(1)	N/A	N/A	N/A	154,300

Note:
(1) The fair value of options and special warrants granted have been estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions: risk free interest rate of 1.03%; expected life of 5.0 years; dividend yield of nil; volatility of 150%; forfeiture rate of nil.

RESULTS OF OPERATIONS

The financial statements for the year ended May 31, 2017 are incorporated by reference herein and form an integral part of this MD&A.

During the period from incorporation on April 20, 2016 to May 31, 2017, the Company had no revenue. Operating expenses for the period ended May 31, 2017 was $1,116,252 and consisted of professional fees, consulting fees, management fees, lease payments and other R&D related expenses.

SUMMARY OF ANNUAL FINANCIAL RESULTS

The following summarizes the Company's annual results for the year ended May 31, 2017:

	May 31, 2017
Revenue	Nil
Expenses	$1,116,252
Net loss	($1,116,252)
Net loss per share	($0.30)

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

	March 1, 2017 to May 31, 2017	December 1, 2016 to February 28, 2017	September 1, 2016 to November 30, 2016	June 1, 2016 to August 31, 2016	Period from Incorporation on April 20, 2016 to May 31, 2017
Revenues	$0	$0	$0	$0	$ 0
Net (loss) income for the period	$(991,364)	$(93,647)	($31,242)	($0)	($0)
Basic and diluted income (loss) per share	($0.21)	($0.02)	($0.01)	-	-

RELATED PARTY TRANSACTIONS

Since the inception of the Company, the related party transactions of the Company have been:

i) The Company incurred consulting fees of $102, 315 to its key management during the period ended May 31, 2017. The full $31, 603 was unpaid as at May 31, 2017 and is currently captioned within accounts payable and accrued liabilities.

ii) The Company is related to CMAX Technologies Inc. ("**CMAX**") by virtue of common control. The Company paid $84,000 of rent to CMAX during the period ended May 31, 2017. The Company also entered into a lease agreement, dated December 1, 2016, whereby the Company is obligated to 12 consecutive monthly payments of $10,000.

iii) The Company signed a development and commercialization license agreement with CMAX. Under the terms of the agreement CMAX has granted the Company an exclusive right, for a period of 20 years, to its pharmaceutical formulations and extended release technology in return for a cash payment of $40,000. As at May 31, 2017 the $40,000 remain unpaid and was included in accounts payable and accrued liabilities.

LIQUIDITY AND CAPITAL RESOURCES

As at May 31, 2017, the Company had cash of $958,620. The Company's accounts payable and accrued liabilities outstanding as at May 31, 2017 was $98,720. The Company's working capital as at May 31, 2017 was $900,597.

The Company expects to have sufficient working capital to meet its current period's anticipated financial obligations. As of the date of this MD&A, the Company has no outstanding commitments. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

Year ended May 31, 2017

Cash used in operating activities

The Company used cash in operating activities of $354, 807 for the period ended May 31, 2017, caused primarily from on-going professional fees and general and administrative expenses. The Company expect to continue to generate negative cash from operating activities in the future until at least the Company commences revenue generation.

Cash provided by financing activities

The Company generated cash of $1,413,000 from financing activities for the period ended May 31, 2017, principally from share capital issuance, net of finance cost.

Cash used in investing activities
The Company used cash in investing activities of $ 99,573 for the period ended May 31, 2017, caused primarily by purchases of property, plant and equipment.

CAPITAL STOCK AND DEFICIT

The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value. As at the date hereof 4,713,000 common shares were issued and outstanding as fully paid and non-assessable.

Shareholders' equity at May 31, 2017, was $1,038,555.

The following convertible securities were outstanding at the date hereof:

	Expiry Date	Exercise Price	Outstanding	Common Shares on Exercise
Options	February 21, 2022	$1.00	470,000	470,000
Special Warrants	February 21, 2022	$1.00	300,000	300,000
Finder Warrants	February 21, 2019	$1.00	80,250	80,250

RISKS AND UNCERTAINTIES

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

The Company is focused on completing its Initial Public Offering and listing on the Canadian Securities Exchange.

Management anticipates completing a Canadian license deal with an Ontario based Health Canada approved Licensed Producer. It further anticipates entering into a co-location agreement with a licensed US resin producer in the ensuing months. The Company has sufficient funds to complete these tasks as well as all administration and corporate overheads until the completion of the Initial Public Offering.

No Operating History

The Company was incorporated on April 20, 2016, has not commenced commercial operations. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

Financial Instruments and Other Instruments

The carrying value of cash, accounts and liabilities approximates fair value due to the short-term nature of these instruments. The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and interest rate risk.

Currency risk

Substantially all of the Company's expenditures are in Canadian dollars, the Company limits its exposure to currency risk by maintaining its cash and cash equivalents in Canadian dollars.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Credit Risk

Credit risk is the risk of a loss if a counterparty to a financial instrument fails to meet is contractual obligations. The Company's limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses which may damage the Company's reputation. The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities. This is generally accomplished by ensuring that cash is always available to settle financial liabilities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk due to the short-term nature of its financial instruments.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers for its commercial operations. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired. Additionally, directors and officers of the Company may also serve as directors and/or officers of other reporting issuers from time to time.

Current Markets

In addition to the risks outlined above, the extreme volatility occurring in the financial markets has a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. An investment in the Company is highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures.

OTHER INFORMATION

Contractual Obligations

The Company entered into a lease agreement, dated December 1, 2016, whereby the Company is obligated to 12 consecutive monthly payments of $10,000.

Off Balance Sheet Arrangements

As at May 31, 2017, the Company had no material arrangements off its audited Statements of Financial Position such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative

instrument obligations or any instruments that could trigger financing, market, or credit risk to the Company.

Going Concern

Management has prepared its unaudited condensed interim financial statements using accounting principles applicable to a going concern which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business. Should the going concern assumption no longer be valid, adjustments would be required to the carrying values of assets and liabilities and to the reported expenses, and unaudited condensed interim statements of financial position classifications.

IFRS accounting policies and estimates

The Company's key accounting policies and significant estimates made by management under IFRS are as follows:

Basis of presentation and Statement of Compliance

These financial statements, including comparative periods, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These financial statements are prepared using IFRS in effect as at May 31, 2017. Significant accounting policies and the applicable basis of measurement used in the preparation of these financial statements are described below.

These financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

These financial statements were authorized by the Board of Directors on January 5, 2018.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and investment-grade deposit certificates with original maturities of three months or less. Cash and cash equivalents are held with a Canadian Chartered Bank. As at May 31, 2017, the Company did not hold any cash equivalents.

Financial instruments

Financial assets

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below based on their classification in the following categories:

Loans and receivables, Financial assets at fair value through profit or loss and Held to Maturity financial assets

The Company has no financial instruments classified as loans and receivables, held to maturity or available for sale.

Financial assets at fair value through profit or loss (FVTPL)

An instrument is classified as fair value through profit or loss if it is held-for-trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss. Cash is classified as FVTPL.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. Liabilities in this category include accounts payable and accrued liabilities.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis; or, other valuation models.

Income taxes

Income tax included in operations for the periods presented comprises current and deferred tax. Income tax is recognized in operations except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Loss per share

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of

common shares outstanding during the period, if dilutive. In the Company's case, diluted loss per share is the same as basic loss per share as the effects of including all outstanding options and warrants would be anti-dilutive.

Significant accounting judgements and estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Such estimates include, but are not limited to, the valuation of share-based payments and income tax accounts.

Future Accounting Standards and Interpretations

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards Board that have not yet been applied. The Company is currently assessing the impact of these standards and does not plan on early adoption. The standards impacted that are applicable to the Company are as follows:

IFRS 9, 'Financial Instruments' was issued in November 2009, then amended in December 2011, is the first step in its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied starting January 1, 2015, with early adoption permitted. The IASB intends to expand IFRS 9 during the intervening period to add new requirements for classifying and measuring financial liabilities, de-recognition of financial instruments, impairment and hedge accounting.

IFRS 10, "Consolidation" requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces Standing Interpretations Committee ("SIC)-1212 Consolidation – Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 11, 'Joint Arrangements' requires a venture to classify its interest in a joint arrangement as a joint venture or joint operations. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operations. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31, Interest in Joint Ventures, and SIC-13, Joint Controlled Entities – Nonmonetary Contributions by Venturers. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 12, 'Disclosure of Interest in Other Entities' establishes disclosure requirements for interest in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interest in other entities. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 13, 'Fair Value Measurement' is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 7, 'Financial Instruments - Disclosures' (IFRS 7), was amended by the IASB in December 2011 the disclosure of information that will enable users of an entity's financial statements to evaluate the effect, or potential effect, of offsetting financial assets and financial liabilities, to the entity's financial position. This amendment is effective for annual periods beginning on or after January 1, 2013.

IAS 1 Presentation of Financial Statements Presentation of Items in Other Comprehensive Income (IAS 1). In June 2011, the IASB issued amendments to IAS 1 that require an entity to separate items presented in other comprehensive income into two groups, based on whether or not the items may be recycled to profit and loss. For those items presented before tax, the amendments to IAS 1 also require that the tax related to the two separate groups be presented separately. The amendment is effective for annual periods beginning on or after July 1, 2012. IAS 1 was also amended as a result of the annual improvements 2009-11 cycle which clarifies the minimum requirements for comparative information in financial statements.

IAS 32, Financial Instruments: Presentation (IAS 32), was amended by the IASB in December 2011 to clarify the criteria that should be considered in determining whether an entity has a legally enforceable right of set off in respect of its financial instruments. Amendments to IAS 32 are applicable to annual periods beginning on or after January 1, 2014, with retrospective application required. Early adoption is permitted.

Additional Disclosure for Venture Issuers Without Significant Revenue

General and administrative

	From April 20, 2016, (date of incorporation) to May 31, 2017 $
Administrative	$43,109
Professional fees	$54,100
Salaries and benefits	$211,143
Transfer agent, listing and filing fees	$0
Total	**$308,352**

SCHEDULE “D”
INTERIM MD&A OF CANNTAB FOR THE SIX MONTHS ENDED NOVEMBER 30, 2017

Canntab Therapeutics Limited

Management's Discussion and Analysis

For the three and six months ended November 30, 2016 and November 30, 2017

This Management's Discussion and Analysis ("**MD&A**") of financial position and results of operation is prepared as at January 17, 2018 and should be read in conjunction with the condensed interim financial statements for the three and six months ended November 30, 2016 and November 30, 2017, the audited annual financial statements and the notes thereto for the year ended May 31, 2017, and the Annual Management's Discussion and Analysis for the year ended May 31, 2017.

The condensed interim financial statements for the three and six months ended November 30, 2016 and November 30, 2017, and comparative information presented therein, have been prepared in accordance with International Financial Reporting Standard ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

This MD&A was prepared by management of Canntab Therapeutics Limited (the "**Company**"), and it and the condensed interim financial statements for the three and six months ended November 30, 2016 and November 30, 2017 were approved by the Board of Directors on January 17, 2018. All amounts are in Canadian dollars unless otherwise stated.

FORWARD LOOKING STATEMENTS

Certain statements contained within this document, and in certain documents incorporated herein by reference, constitute forward looking statements. These statements relate to future events or the Company's future performance. Forward looking statements are often, but not always, identified by the use of the words: "expect", "will", "would", "seek", "anticipate", "budget", "continue", "plan", "forecast", "may", "estimate", "intend", "could", "might", "should", "believe", "potential", "target" or other similar expressions or phrases. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking statements. Management believes the expectations reflected in such forward looking statements to be reasonable based on information reviewed at the time of writing, but no assurance can be given that these expectations will prove to be correct or will lead to the expected result, and such forward looking statements included herein, or incorporated by reference into this document should not be unduly relied on.

These forward looking statements speak only as of the date of this document, or as of the date specified in the documents incorporated into this document by reference, as the case may be.

Actual results could differ materially from those anticipated in these forward looking statements as a result of the risk factors set forth in this document. These risks, uncertainties and factors may include, but are not limited to: unavailability of financing, changes in government regulation, general economic conditions, general business conditions, limited time being devoted to the business by directors, escalating professional fees, and escalating transaction costs. Readers are cautioned that the risk factors listed in this document are not exhaustive.

The forward looking statements contained in the document and documents incorporated by reference are expressly qualified by this cautionary statement. Management and the Company do not undertake any obligation to publicly update or revise any forward looking statements except as required by securities law.

OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Ontario) on April 20, 2016. Its registered head office is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario M5C 2V9.

The Company's principal business is research and development using proprietary technology for developing cannabis resin into extended release capsules and tablets.

On October 3, 2017, the Company entered into an exclusive marketing and sale license agreement with Emblem Cannabis Corporation, a Licensed Producer (the "**Licensed Producer**") for the Canadian market (the "**License Agreement**"). The following is a brief summary of the salient terms of the License Agreement:

- The License Agreement is for an initial term of 5 years and shall be automatically renewed thereafter for renewal terms of one year each.
- The License Agreement applies to proprietary the Company products being oral sustained release tablet formulations of cannabinoids (the "**Product**").
- The Company shall have the sole right to manufacture the Product.
- The raw materials (cannabis and cannabis oil) required to manufacture the Product shall be provided to the Company free of charge by the Licensed Producer.
- The Licensed Producer shall purchase the products manufactured by the Company at the Company's cost plus 15%.
- The Licensed Producer is responsible for all regulatory costs to obtain the required approvals to sell the Product in Canada at the Licensed Producer's sole cost and expense.

The Company will be entitled to the following milestone payments pursuant to the License Agreement:

- $200,000 upon execution of the License Agreement;
- $200,000 within forty-five (45) days following the development extended-release cannabis tablets acceptable to the Licensed Producer acting reasonably-on the basis of in-vitro dissolution data;
- $200,000 within forty-five (45) days following reasonably acceptable results from a stability study and an in-vivo bio-availability study confirming the Product provides "extended release". This in vivo study will involve 12 people and blood sampling over 12 hours;
- $200,000 each upon the Licensed Producer being approved to sell pharmaceutically acceptable formulations of each of the three extended-release cannabinoid tablet formulations (high HTC, balanced THC/CBD and high CBD) by Health Canada.

The Company will be entitled to the following royalty payments pursuant to the License Agreement:

- 10% of the gross sales the Licensed Producer receives from sales of each Product in the territory on sales up to and including $15 million per year and 15% of gross sales on sales exceeding $15 million per year.
- The Licensed Producer shall be the exclusive licensee in the territory providing that the Licensed Producer meets the following royalty payment thresholds:

    - First 12 months following first commercial sale: $300,000.
    - Second 12 months following first commercial sale: $1,200,000.
    - Third 12 months following first commercial sale and all subsequent 12 month periods: $2,100,000.

If any of these thresholds are not met then the Licensed Producer shall have the option of making up the difference between the royalty-based payments and the thresholds. If the thresholds are not met and the Licensed Producer does not at its sole discretion make up the difference between the royalty-based payments and the thresholds, then the license shall at the Company's sole option terminate or the Company may designate the Licensed Producer as a non-exclusive licensee of the patents and the licensed know-how. In either event the Company may thereafter itself sell the Products or otherwise exercise the patent and know-how rights without restriction or license any number of third parties to sell the Products or otherwise exercise the patent and know-how rights without restriction.

EVALUATION OF DISCLOSURE, INTERNAL CONTROLS, AND PROCEDURES

Internal Control over Financial Reporting

Designing, establishing and maintaining adequate internal control over financial reporting is the responsibility of the Company's management. Internal control over financial reporting is a process designed by, or under the supervision of management, and affected by the Board of Directors, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements in compliance with IFRS. These controls include policies and procedures pertaining to the maintenance of records that, in reasonable detail, accurately reflect transactions pertaining to its assets; provide reasonable assurance that all transactions are recorded to permit the preparation of its financial statements and that expenditures are being made only in accordance with authorizations of management of the Company, and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements. Management is responsible for establishing and maintaining internal control over financial reporting and has designed and implemented such controls to ensure that the required objectives of these internal controls have been met. The management of the Company applied its judgement in evaluating the cost-benefit relationship to controls and procedures. The result of which was, because of the inherent limitations in all control systems, no evaluation of the controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Minor control deficiencies have been identified within the Company's accounting and/or finance departments and its financial information systems over segregation of duties and user access respectively. Specifically, as is common for companies of this size, certain duties within the accounting and/or finance departments were not adequately segregated due to the limited number of individuals employed in these areas. At the present time, the CEO and CFO oversee all material transactions and related accounting records. The audit committee reviews the financial statements in detail, the key risks of the Company, and queries management about all significant transactions.

For the period covered by this MD&A there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

RESULTS OF OPERATIONS

The financial statements for the three and six months ended November 30, 2016 and November 30, 2017 are incorporated by reference herein and form an integral part of this MD&A.

Revenue for the three months ended November 30, 2017 was $5,555 versus nil for the same period in 2016. For the six months ended November 30, 2017, revenue was $5,555 compared with nil for the same period last year.

Operating expenses for the three months ended November 30, 2017 were $211,602 versus $31,242 for the same period in 2016. For the six months ended November 30, 2017, operating expenses were $464,483 compared with $31,242 for the same period last year. Operating expenses in all periods consisted of professional fees, consulting fees, management fees, lease payments and other R&D related expenses. The consulting fees consisted of the following: (i) monthly remuneration paid to the CEO, CFO and certain directors for their services provided to the Company; (ii) occasional payments to third-party service providers, including branding specialists, regulatory experts and maintenance providers; and (iii) one-time payments to additional third-party service providers.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

	September 1, 2017 to November 30, 2017	June 1, 2017 to August 31, 2017	March 1, 2017 to May 31, 2017	December 1, 2016 to February 28, 2017	September 1, 2016 to November 30, 2016	June 1, 2016 to August 31, 2016	Period from Incorporation on April 20, 2016 to May 31, 2017
Revenues	$5,555	$0	$0	$0	$0	$0	$ 0
Net (loss) income for the period	($206,047)	($252,881)	$(991,364)	$(93,647)	($31,242)	($0)	($0)
Basic and diluted income (loss) per share	($0.04)	($0.04)	($0.21)	($0.02)	($0.01)	-	-

RELATED PARTY TRANSACTIONS

Since the inception of the Company, the related party transactions of the Company have been:

i) During the three and six months ended November 30, 2017, the Company incurred consulting fees of $123,390 and $204,190 to its key management (2016 - $15,000 and $15,000). $0 was unpaid as at November 30, 2017 and is currently captioned within accounts payable and accrued liabilities.

ii) The Company is related to CMAX Technologies Inc. ("**CMAX**") by virtue of common control. During the three and six months ended November 30, 2017, the Company paid $30,000 and $60,000 of rent to CMAX (2016 $16,000 and $16,000). The Company also entered into a lease agreement, dated December 1, 2016, whereby the Company is obligated to 12 consecutive monthly payments of $10,000.

LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2017, the Company had cash of $599,823 (November 30, 2016 - $204,789). The Company's accounts payable and accrued liabilities outstanding as at November 30, 2017 was $45,888 (November 30, 2016 - $0). The Company's working capital as at November 30, 2017 was $579,666 (November 30, 2016 - $204,789.

The Company expects to have sufficient working capital to meet its current period's anticipated financial obligations. As of the date of this MD&A, the Company has no outstanding commitments. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

Period ended November 30, 2017

Cash used in operating activities

The Company used cash in operating activities of $319, 839 for the period ended November 30, 2017 (November 30, 2016 - $33,411), caused primarily from on-going professional fees and general and administrative expenses. The Company expect to continue to generate negative cash from operating activities in the future until at least the Company commences revenue generation.

Cash provided by financing activities

The Company generated cash of nil from financing activities for the period ended November 30, 2017 (November 30, 2016 - $238,200), principally from share capital issuance, net of finance cost.

Cash used in investing activities

The Company used cash in investing activities of $38,958 for the period ended November 30, 2017 (November 30, 2016 - $0), caused primarily by acquisitions and additions to equipment.

CAPITAL STOCK AND DEFICIT

The authorized capital of the Company consists of an unlimited number of common shares without nominal or par value. As at the date hereof 4,713,000 common shares were issued and outstanding as fully paid and non-assessable.

Shareholders' equity at November 30, 2017, was $579,627 (November 30, 2016 – $329, 649.

The following convertible securities were outstanding at the date hereof:

	Exercise Price	Outstanding	Common Shares on Exercise
Options	$1.00	471,300	471,300
Special Warrants	$1.00	300,000	300,000
Finder Warrants	$1.00	80,250	80,250
Subscription Receipts	$4.00	1,251,914	1,251,914
Finder Warrants	$4.00	87,634	87,634

RISKS AND UNCERTAINTIES

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

The Company is focused on completing its Reverse Takeover and listing on the Canadian Securities Exchange.

Management anticipates completing a Canadian license deal with an Ontario based Health Canada approved Licensed Producer. It further anticipates entering into a co-location agreement with a licensed US resin producer in the ensuing months. The Company has sufficient funds to complete these tasks as well as all administration and corporate overheads until the completion of the Reverse Takeover.

Negative Operating Cash Flows

As the Company is at the early start-up stage it may continue to have negative operating cash flows. However, the Company expects the proceeds raised pursuant to the Subscription Receipt Offering (as defined below) will enable it to fund its operations following the Amalgamation (as defined below).

No Operating History

The Company was incorporated on April 20, 2016, has not commenced commercial operations. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

Financial Instruments and Other Instruments

The carrying value of cash, accounts and liabilities approximates fair value due to the short-term nature of these instruments. The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and interest rate risk.

Currency risk

Substantially all of the Company's expenditures are in Canadian dollars, the Company limits its exposure to currency risk by maintaining its cash and cash equivalents in Canadian dollars.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Credit Risk

Credit risk is the risk of a loss if counterparty to a financial instrument fails to meet is contractual obligations. The Company's limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses which may damage the Company's reputation. The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities. This is generally accomplished by ensuring that cash is always available to settle financial liabilities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk due to the short-term nature of its financial instruments.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers for its commercial operations. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired. Additionally, directors and officers of the Company may also serve as directors and/or officers of other reporting issuers from time to time.

Current Markets

In addition to the risks outlined above, the extreme volatility occurring in the financial markets has a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. An investment in the Company is highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures.

OTHER INFORMATION

Contractual Obligations

The Company entered into a lease agreement, dated December 1, 2016, whereby the Company is obligated to 12 consecutive monthly payments of $10,000.

Off Balance Sheet Arrangements

As at November 30, 2017, the Company had no material arrangements off its condensed interim financial statements for the three and six months ended November 30, 2016 and November 30, 2017 such as guaranteed contracts, contingent interests in assets transferred to an entity, derivative instrument obligations or any instruments that could trigger financing, market, or credit risk to the Company.

Going Concern

Management has prepared its unaudited condensed interim financial statements using accounting principles applicable to a going concern which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business. Should the going concern assumption no longer be valid, adjustments would be required to the carrying values of assets and liabilities and to the reported expenses, and unaudited condensed interim statements of financial position classifications.

IFRS accounting policies and estimates

The Company's key accounting policies and significant estimates made by management under IFRS are as follows:

Basis of presentation and Statement of Compliance

These financial statements, including comparative periods, have been prepared in accordance with IFRS, as issued by the IASB.

These financial statements are prepared using IFRS in effect as at November 30, 2017. Significant accounting policies and the applicable basis of measurement used in the preparation of these financial statements are described below.

These financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

These financial statements were authorized by the Board of Directors on January 17, 2018.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and investment-grade deposit certificates with original maturities of three months or less. Cash and cash equivalents are held with a Canadian Chartered Bank. As at November 30, 2017, the Company did not hold any cash equivalents.

Financial instruments

Financial assets

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below based on their classification in the following categories:

Loans and receivables, Financial assets at fair value through profit or loss and Held to Maturity financial assets

The Company has no financial instruments classified as loans and receivables, held to maturity or available for sale.

Financial assets at fair value through profit or loss (FVTPL)

An instrument is classified as fair value through profit or loss if it is held-for-trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss. Cash is classified as FVTPL.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. Liabilities in this category include accounts payable and accrued liabilities.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations. For financial instruments not

traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis; or, other valuation models.

Income taxes

Income tax included in operations for the periods presented comprises current and deferred tax. Income tax is recognized in operations except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Loss per share

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive. In the Company's case, diluted loss per share is the same as basic loss per share as the effects of including all outstanding options and warrants would be anti-dilutive.

Significant accounting judgements and estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Such estimates include, but are not limited to, the valuation of share-based payments and income tax accounts.

Future Accounting Standards and Interpretations

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards Board that have not yet been applied. The Company is currently assessing the impact of these standards and does not plan on early adoption. The standards impacted that are applicable to the Company are as follows:

IFRS 9, 'Financial Instruments' was issued in November 2009, then amended in December 2011, is the first step in its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied starting January 1, 2015, with early adoption permitted. The IASB intends to expand IFRS 9 during the intervening period to add new requirements for classifying and measuring financial liabilities, de-recognition of financial instruments, impairment and hedge accounting.

IFRS 10, "Consolidation" requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces Standing Interpretations Committee ("SIC)-1212 Consolidation – Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 11, 'Joint Arrangements' requires a venture to classify its interest in a joint arrangement as a joint venture or joint operations. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operations. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31, Interest in Joint Ventures, and SIC-13, Joint Controlled Entities – Nonmonetary Contributions by Venturers. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 12, 'Disclosure of Interest in Other Entities' establishes disclosure requirements for interest in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interest in other entities. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 13, 'Fair Value Measurement' is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. This standard is required to be applied for annual periods beginning on or after January 1, 2013, with earlier adoption permitted.

IFRS 7, 'Financial Instruments - Disclosures' (IFRS 7), was amended by the IASB in December 2011 the disclosure of information that will enable users of an entity's financial statements to evaluate the effect, or potential effect, of offsetting financial assets and financial liabilities, to the entity's financial position. This amendment is effective for annual periods beginning on or after January 1, 2013.

IAS 1 Presentation of Financial Statements Presentation of Items in Other Comprehensive Income (IAS 1). In June 2011, the IASB issued amendments to IAS 1 that require an entity to separate items presented in other comprehensive income into two groups, based on whether or not the items may be recycled to profit and loss. For those items presented before tax, the amendments to IAS 1 also require that the tax related to the two separate groups be presented separately. The amendment is effective for annual periods beginning on or after July 1, 2012. IAS 1 was also amended as a result of the annual improvements 2009-11 cycle which clarifies the minimum requirements for comparative information in financial statements.

IAS 32, Financial Instruments: Presentation (IAS 32), was amended by the IASB in December 2011 to clarify the criteria that should be considered in determining whether an entity has a legally enforceable

right of set off in respect of its financial instruments. Amendments to IAS 32 are applicable to annual periods beginning on or after January 1, 2014, with retrospective application required. Early adoption is permitted.

Proposed Transaction

On January 12, 2018, Telferscot Resources Inc. ("Telferscot"), the Company, and 2611780 Ontario Inc. ("Numco") entered into an amalgamation agreement (the "Amalgamation Agreement"), pursuant to which the parties intend to complete a business combination by way of a three-cornered amalgamation (the "Amalgamation") under the Business Corporations Act (Ontario). Under the terms of the Amalgamation Agreement the Company will amalgamate with Numco and carry on the current business of the Company as a wholly owned operating subsidiary of Telferscot, which will then file articles of amendment to change its name to Canntab Therapeutics Limited (the "Resulting Issuer").

Prior to the Amalgamation, Telferscot will consolidate its common shares on the basis of one post-consolidated common share for each 200 pre-consolidation common shares (the "Consolidation").

Pursuant to the terms of the Amalgamation Agreement, each shareholder of the Company will be entitled to receive four (4) common shares (a "Common Share") of Telferscot for every one (1) common share of the Company held by such shareholder (the "Exchange Ratio"). In addition, each holder of a stock option or warrant of the Company will receive an equal number replacement stock options, warrants and broker warrants of Telferscot, as applicable.

In connection with the Amalgamation, the Company completed a private placement of 1,251,914 subscription receipts ("Subscription Receipt") at a price of $4.00 per Subscription Receipt for gross proceeds of $5,007,656 on December 19, 2017 and December 29, 2017 (the "Subscription Receipt Offering"). Immediately prior to the closing of the Amalgamation, each Subscription Receipt will convert, with no additional consideration or action by the holder, to one common share of the Company (each a "Canntab Share"), which shall be subsequently exchanged for four common shares of the Resulting Issuer pursuant to the terms of the Amalgamation Agreement.

The gross proceeds of the Subscription Receipts have been delivered into escrow on behalf of the purchasers of Subscription Receipts, to be held by a third party subscription receipt agent until the date on which the escrow release conditions are satisfied.

For the finder's services in connection with the Subscription Receipt Offering, the Company agreed to pay a corporate finance fee equal to two percent (2%) of the gross proceeds of the Subscription Receipt Offering and a sale commission equal to five percent (5%) of the gross proceeds of the Subscription Receipt Offering, which shall be paid on the completion of the Amalgamation. Additionally, the Company agreed to grant to the finder such number of corporate finance warrants as is equal to two percent (2%) of the Subscription Receipts sold pursuant to the Subscription Receipt Offering and selling compensation warrants (collectively with the corporate finance warrants, the "Compensation Warrants") as is equal to five percent (5%) of the Subscription Receipts sold pursuant to the Subscription Receipt Offering, for a total of to 87,634 Compensation Warrants. Each Compensation Warrant shall, subject to completion of the Amalgamation, entitle the holder thereof to acquire one (1) Canntab Share at a price of $4.00 per Canntab Share for a period of twenty-four (24) months from issuance. For greater certainty, in the event the Amalgamation is not completed the finder will not be able to exercise the Compensation Warrants.

Additional Disclosure for Venture Issuers Without Significant Revenue

General and administrative

	Three Months Ended November 30,		Six Months Ended November 30,	
	2017 ($)	**2016 ($)**	**2017 ($)**	**2016 ($)**
Administrative	5,377	242	11,322	242
Professional fees	5,450	Nil	75,580	Nil
Salaries and benefits	22,467	Nil	55,330	Nil
Transfer agent, listing and filing fees	Nil	Nil	Nil	Nil
Total	33,294	242	142,232	242

SCHEDULE “E”
UNAUDITED PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS OF TELFERSCOT RESOURCES INC.

Telferscot Resources Inc.

Pro-Forma Consolidated Financial Statements

As at November 30, 2017

(Stated in $CAD)

(Unaudited – Prepared by Management)

Telferscot Resources Inc.
Pro-Forma Consolidated Statement of Financial Position
As at November 30, 2017
(Stated in $CAD)
(Unaudited - Prepared by Management)

	Canntab Therapeutics Limited	Telferscot Resources Inc.	Note ref	Pro-forma adjustments	Pro-forma
	November 30, 2017	September 30, 2017			November 30, 2017
	$	$		$	$
ASSETS					
Current:					
Cash	599,823	1,561	3(d)	5,007,656	5,681,461
			3(e)	72,421	
Other receivables	59,064	-			59,064
Prepaid expenses	-	2,927			2,927
	658,887	4,488			5,743,452
Non-current:					
Equipment	123,073	-			123,073
Intangible assets	38,000	-			38,000
	819,960	4,488		5,080,077	5,904,525
LIABILITIES					
Current:					
Accounts payable and accrued liabilities	45,888	117,436	3(a)	50,000	175,044
			3(f)	(38,280)	
Deferred revenue	33,333	-			33,333
	79,221	117,436			208,377
Non-current:					
Deferred revenue	161,112	-			161,112
	240,333	117,436			369,489
SHAREHOLDERS' EQUITY					
Share capital	1,400,107	3,039,629	3(b), 3(c)	(3,039,629)	7,054,669
			3(b)	574,485	
			3(d)	5,007,656	
			3(e)	72,421	
Contributed surplus	754,700	187,804	3(b), 3(c)	(187,804)	754,700
Reserve for share based payments	-	50,750	3(b)	(50,750)	50,750
			3(c)	50,750	
Deficit	(1,575,180)	(3,391,131)	3(b), 3(c)	3,391,131	(2,325,083)
			3(b)	(738,183)	
			3(a)	(50,000)	
			3(f)	38,280	
	579,627	(112,948)			5,535,036
	819,960	4,488		5,080,077	5,904,525

Telferscot Resources Inc.
Pro-Forma Consolidated Statement of Loss and Comprehensive Loss
Twelve Month Period November 30, 2017
(Stated in $CAD)
(Unaudited - Prepared by Management)

	Canntab Therapeutics Limited	Telferscot Resources Inc.	Note ref	Pro-forma adjustments		Pro-forma
	Twelve month period ended November 30, 2017	Nine month period ended September 30, 2017		P&L reclasses	Adjustments	Twelve month period ended November 30, 2017
	$	$		$	$	$
Revenues						
Licensing fees	5,555	-				5,555
Expenses						
Research and development	82,903	-				82,903
Consulting fees	400,333	25,000		76,275		501,608
Professional fees	129,680	12,854	3(e)		(38,280)	104,254
Rent expense	128,000	-				128,000
Depreciation and amortization	17,458	-				17,458
General and administrative	54,189	11,464		3,427		69,080
Share based payments	681,600	-				681,600
Salaries and benefits	55,330	-				55,330
Management fee expense	-	76,275		(76,275)		-
Shareholder communications and reporting issuer costs	-	18,770				18,770
Insurance	-	3,427		(3,427)		-
	1,549,493	147,790				1,659,003
Net loss and comprehensive loss	(1,549,493)	(147,790)				(1,659,003)

Telferscot Resources Inc.
Pro-Forma Consolidated Statement of Loss and Comprehensive Loss
Period Ended November 30, 2016
(Stated in $CAD)
(Unaudited - Prepared by Management)

	Canntab Therapeutics Limited	Telferscot Resources Inc.	Note ref	Pro-forma adjustments		Pro-forma
	Period from incorporation (April 20, 2016) to November 30, 2016	Year ended December 31, 2016		P&L reclasses	Adjustments	Period ended November 30, 2016
	$	$		$	$	$
Revenues						-
Gain on sale of KCC shares	-	907,634				907,634
Gain on exercise of option	-	34,721				34,721
	-	942,355				942,355
Expenses						
Consulting fees	15,000	0		92,925		107,925
Professional fees		118,474				118,474
Rent expense	16,000					16,000
General and administrative	242	-		20,655		24,892
				3,995		
Share based payments		50,750				50,750
Management fee expense		113,580		(92,925)		-
				(20,655)		
Shareholder communications and reporting issuer costs		24,725				24,725
Insurance		3,995		(3,995)		-
Write-off of HST ITC's in accounts receivable		56,134				56,134
Foreign exchange loss		54,920				54,920
Transaction costs (RTO)			3(b)		738,183	788,183
			3(a)		50,000	
	31,242	422,578				1,242,003
Net income (loss)	(31,242)	519,777				(299,648)
Item subsequently reclassified to net income (loss)						
Gain on sale of KCC shares	-	(924,887)				(924,887)
Net comprehensive income (loss)	(31,242)	(405,110)		-	788,183	(1,224,535)

Telferscot Resources Inc.
Notes to the Pro-Forma Consolidated Financial Statements
November 30, 2017
(Stated in $CAD)
(Unaudited – Prepared by Management)

1. Basis of presentation

Telferscot Resources Inc.("Telferscot"), Canntab Therapeutics Limited ("Canntab") and 2611780 Ontario Inc. Canada Inc. ("Telferscot Subco"), a wholly owned subsidiary of Telferscot, entered into a definitive amalgamation agreement (the "Agreement") on January 12, 2018, pursuant to which Canntab will acquire all the issued and outstanding common shares of Telferscot (the "Transaction").

The Transaction will be affected by way of a three-cornered amalgamation, pursuant to which Canntab will amalgamate with Telferscot Subco. Following a consolidation of the common shares of Telferscot based on one post-consolidated common share for each 200 pre-consolidation common shares, holders of common shares of Canntab will receive four post-consolidation common share of the Issuer for each share of Canntab held. Following completion of the Transaction, the newly amalgamated company, which will hold all Canntab's assets, will be a wholly-owned subsidiary of Telferscot. The completion of the Transaction remains subject to shareholder and regulatory approval.

The unaudited pro-forma consolidated statement of financial position and statements of income (loss) and comprehensive income (loss) have been prepared by management using accounting policies and practices consistent with those used in the preparation of Canntab's recent consolidated financial statements. In the opinion of management, the unaudited pro-forma consolidated financial statements include all adjustments necessary for fair presentation. Certain significant estimates have been made by management in the preparation of these unaudited pro-forma consolidated financial statements the determination of the fair value of Telferscot's assets and liabilities acquired and the fair value of the shares and options issued by Canntab as consideration.

The unaudited pro-forma consolidated statement of financial position and statements of income (loss) and comprehensive income (loss) have been prepared for illustration purposes only and may not be indicative of the combined results or financial position had the Transaction been in effect at the date indicated.

Although the transaction will result in Canntab legally becoming a wholly-owned subsidiary of Telferscot, the transaction will constitute a reverse takeover of Telferscot and has been accounted for as a reverse takeover transaction in accordance with guidance provided in IFRS 2 Share Based Payments. As Telferscot did not qualify as a business according to the definition in IFRS 3, this reverse takeover transaction does not constitute a business combination. It has been treated as an issuance of shares by Canntab for the net monetary assets of Telferscot.

The transaction therefore has been accounted for as a capital transaction, with Canntab being identified as the accounting acquirer and the equity consideration measured at fair value. The consideration paid by Canntab to acquire Telferscot was measured based on the fair value of the equity instruments issued, considering the price per share of the most recent Canntab private placement that closed by December 29, 2017. In accordance with IFRS 2, the excess of the fair value of the equity instruments issued by Canntab over the value of the net monetary assets of Telferscot was recognized in the consolidated statement of income (loss) and comprehensive income (loss) as a non-cash loss on completion of the RTO. In addition, as options granted prior to the transaction by Telferscot remain exercisable after the completion of the reverse acquisition, the fair value of the options at the acquisition date are also included as part of the value of the purchase price consideration paid.

1. Basis of presentation (continued)

Unaudited Pro-Forma Consolidated Statement of Financial Position

The unaudited pro-forma consolidated statement of financial position has been prepared from information derived from Canntab's unaudited condensed interim statement of financial position as at November 30, 2017 and Telferscot's unaudited condensed interim consolidated statement of financial position as at September 30, 2017.

Unaudited Pro-Forma Consolidated Statements of Loss and Comprehensive Loss

The unaudited pro- forma consolidated statement of loss and comprehensive loss for the period ended November 30, 2016 has been prepared from information derived from the unaudited financial statements of Canntab for the six-month period ended November 30, 2016 and the audited financial statements of Telferscot for the year ending December 31, 2016.

The unaudited pro-forma consolidated statement of comprehensive loss for the twelve-month period ended November 30, 2016 has been prepared from information derived from (a) the audited financial statements of Canntab for the year May 31, 2017, converted to a November 30, 2017 reporting period by (i) adding in the results of operations from the unaudited financial statements for the six month period ended November 30, 2017, and (ii) reversing out comparative figures (for the six month period ended November 30, 216) included in the same referenced unaudited financial statements, and (b) the unaudited interim financial statements of Telferscot for the nine month period ended September 30, 2016.

The unaudited pro-forma consolidated statements of loss and comprehensive loss of Canntab and Telferscot have been presented assuming the Transaction had been completed on April 20, 2016, the incorporation date of Canntab.

2. Significant accounting policies

The accounting policies used in the preparation of these unaudited pro-forma consolidated financial statements are as set out in the Canntab consolidated financial statements as at, and for the periods ended, November 30, 2017 and May 31, 2017. In preparing the unaudited pro-forma consolidated financial information, consideration was given to identifying accounting policy differences between Canntab and Telferscot where the impact was potentially material and could be reasonably estimated. Accounting policy differences may be identified after consummation and integration of the proposed acquisition. However, the significant accounting policies of Canntab, after giving effect to the pro-forma adjustments, are believed to conform in all material respects to those of Telferscot.

3. Pro-forma assumptions

The unaudited pro-forma consolidated financial statements give effect to the following assumptions and transactions:

The Transaction will be recorded for accounting purposes as an asset acquisition. In consideration for the acquisition of Telferscot, Canntab will acquire each outstanding Telferscot common share for one whole Canntab share. The Board of Directors of each company has unanimously approved the Transaction.

Because of the Transaction, Canntab will issue 574,485 common shares valued at $1.00 (assumed price) per share for total consideration of $574,485. Consideration for the Transaction will also include value of Telferscot's 50,750 post-consolidation options valued $50,750 based on the Black- Scholes option pricing model. The fair value of each option has been calculated as $1.00 per option, using the assumptions of (i) risk free interest rate of 0.69% (ii) expected volatility of 260%, (iii) expected life of 5 years, and (iv) dividend yield of 0.0%. Upon completion of the Transaction, existing Canntab and Telferscot shareholders will own approximately 97.65% and 2.35% of the combined company respectively.

For the purpose of determining the value of the purchase price consideration, the total number of outstanding shares and options have been derived from the latest published financial statements of Telferscot as at September 30, 2017. The value of the purchase consideration for accounting purposes will differ from the amount assumed in the unaudited pro-forma consolidated financial statement information for changes in the number of outstanding shares and options as of the Transaction closing date.

The allocation of the purchase price is as follows:

Purchase price consideration paid		
Issuance of common shares	$	574,485
Issuance of options		50,750
Total consideration paid	$	625,235
Allocation of purchase price:		
Cash and cash equivalents	$	1,561
Prepaid expenses		2,927
Accounts payable and accrued liabilities		(117,436)
Telferscot net assets acquired		(112,948)
Excess of purchase price over fair value of net assets acquired	$	738,183

(a) Management has estimated that Canntab will incur approximately $50,000 of professional fees with respect to the Transaction, and has been included in transaction costs.

(b) The excess of the purchase consideration over carrying values of net assets of Telferscot in the amount of $738,183 has been assigned to transaction costs.

(c) Equity balances of Telferscot are eliminated.

(d) The private placement that closed by December 29, 2017 of 1,251,914 subscription receipts at a price of $4.00 per subscription receipt for gross proceeds of $5,007,656 has been recorded as if it closed by November 30, 2017.

(e) 10,143,039 Telferscot pre-consolidation options were exercised in February, 2018 for gross proceeds of $72,421

(f) Management has estimated that $38,280 of currently unpaid professional fees will be assumed from Telferscot that were previously incurred by Telferscot with respect to the Auxico Litigation.