

July 1, 2021

TO: Alberta Securities Commission  
British Columbia Securities Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés financiers (Quebec)  
The Canadian Securities Exchange

Dear Sir/Madam:

**Re: Pharmadrug Inc. (the “Company”)**

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We have read the Notice of Change of Auditor of the Company dated June 25, 2021 (the “Notice”) under section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”).

Further to our obligation as former auditor of the Company under NI 51-102, we respond to each of the statements in the Notice in order as follows:

1. we agree;
2. we agree;
3. we have no basis to agree or disagree;
4. we agree;
5. we disagree in that the Notice fails to include the context and/or reference the verbal advice provided which is necessary for the referenced communications to be fully understood. Furthermore, the Notice implies that the materiality of the error was not known at the time the financial statements were filed on April 30, 2021. Management was made aware in writing that materiality was determined to be \$150,000 at planning and \$137,000 in our final Audit Findings Report. The Consolidated Statements of Financial Position in the financial statements filed on April 30, 2021 disclosed a Deferred Tax Liability at December 31, 2020 of \$1,338,372 while Note 23 of the statements disclosed an amount of \$996,415, a difference of \$341,957. In addition, the Consolidated Statements of Loss and Comprehensive Loss disclosed a Deferred Income Tax Recovery for the year ended December 31, 2020 of \$nil while Note 23 of the statements disclosed \$475,012. Each of these errors were brought to management’s attention and each significantly exceeded the materiality threshold. Therefore, management knew or ought to have known that the statements were materially incorrect and yet filed the statements, including our audit opinion, despite the fact that we specifically requested them not to do so.

Finally, we accept the Notice as authorization to respond fully to any future inquiry by a successor auditor concerning the disagreement. The Company's Notice in this regard includes the statement "and, if not, a description of and reasons for any limitation". We presume this inclusion reflects a lack of care in preparing the Notice and is not a limitation on our authorization to respond to a successor auditor.

Yours truly,

*MNP LLP*

**MNP LLP**

Chartered Professional Accountants