



June 25, 2021

MNP LLP

Re: Notice of Change of Auditors

In compliance with section 4.11 of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102"), please be advised as follows:

1. On June 14, 2021, MNP LLP resigned as Pharmadrug Inc.'s ("Pharmadrug") auditors.
2. MNP LLP have resigned at their own initiative.
3. The board of directors of Pharmadrug's and its audit committee have considered the resignation of MNP LLP. As the resignation was at MNP LLP's own initiative there was nothing for the audit committee to approve in connection with the resignation.
4. None of MNP LLP's auditors' reports on Pharmadrug's financial statements for the two most recent fiscal years ended December 31, 2020 contained a modified opinion
5. Other than as disclosed below, the Board of Directors is of the opinion that there are no "reportable events" as such term is defined in section 4.11(1) of NI 51-102 which occurred in connection with the audit of the two most recently completed fiscal years or for any period subsequent to the most recently completed fiscal period for which an auditors' report was issued.

The audited financial statements for the years ended December 31, 2020 and 2019 were initially approved for filing by MNP LLP at 7:50 p.m. on April 30, 2021. At 8:32 p.m., prior to filing the financial statements, Pharmadrug was advised by MNP LLP that the final version of the financial statements which MNP LLP had approved did not have a tax note that reconciled with the face of the financial statements. At 8:50 p.m. MNP LLP suggested that it might best to file the financial statements in the current form and file an amendment for the note later once the issue was resolved and Pharmadrug and MNP LLP could decide whether this was material. At 8:55 p.m. MNP LLP asked Pharmadrug to hold off on the filing of the financial statements despite not providing any support for a determination that the issue was material to the financial statements and instead confirming that the matter was still being reviewed. At 9:07 p.m. MNP LLP advised that the financial statements "may be" materially wrong and that MNP LLP was working on rectifying the issue. In addition, in the same correspondence MNP LLP confirmed that if Pharmadrug filed the financial statements as is and MNP LLP determined thereafter that there was a material misstatement, the financial statements would need to be restated. At 10:41

p.m., after discussions with the Audit Committee Chair and the Chief Executive Officer, Pharmadrug proceeded to file the financial statements given that (i) April 30, 2021 was the deadline for filing the statements and (ii) the notice of the potential error was provided at what Pharmadrug felt was too late in the process to be fully considered by it and MNP LLP before the filing deadline. Following the filing, Pharmadrug reviewed the item raised by MNP LLP and agreed to re-file its annual financial statements, MD&A and associated certifications. MNP LLP has advised Pharmadrug that it views the filing of the financial statements in these circumstances as a "disagreement" and a "reportable event" within the meaning of National Instrument 51-102 – Continuous Disclosure Obligations.

The audit committee of Pharmadrug's board of directors discussed the disagreement with the predecessor auditor. Pharmadrug has authorized the predecessor auditor to respond fully to inquiries by any successor auditor concerning the disagreement and, if not, a description of and reasons for any limitation.

Please review this letter and advise the Board of Directors of the Corporation in writing whether you agree, disagree (including the reasons why) or have no basis to agree or disagree with each statement contained in this Notice.

It is further requested that you address your response to the relevant securities regulatory authorities (list of addresses attached hereto) and deliver the response to us as soon as possible.

PHARMADRUG INC.

/s/ Keith Li

Keith Li
Chief Financial Officer

List of Addresses

Alberta Securities Commission
4th Floor, 300-5th Avenue, S.W.
Calgary, AB T2P 3C4

Authorite des Marches Financiers
800, Square Victoria, 22e etage
C.P. 246, Tour de la Bourse
Montreal, QU H4Z 1G3

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V1Y 1L2

Nova Scotia Securities Commission
P.O. Box 458
Halifax, NS B3J 2P8

New Brunswick Securities Commission
85 Charlotte Street, Suite 300
Saint John, NB E2L 2J2

The Manitoba Securities Commission
500-400 St. Mary Avenue
Winnipeg, MB R3C 4K5

Saskatchewan Financial Services Commission
Suite 601-1919 Saskatchewan Drive
Regina, SK S4P4H2

Securities Commission of Newfoundland
P.O. Box 8700
2nd Floor, West Block
Confederation Building
St. John's NFLD A1B 4J6

Superintendent of Securities
Government of Prince Edward Island
4th Floor, Shaw Building
95 Rochford Street
P.O. Box 2000
Charlottetown, PEI C1A 7N8

Government of Nunavut
Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
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Ontario Securities Commission
Box 55, 1903
20 Queen Street West
Toronto, ON M5H 3S8

Government of the Northwest Territories
Office of the Superintendent of Securities
P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9

Government of Yukon
Department of Community Services
Law Centre, 3rd Floor
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