

**NOTICE DECLARING INTENTION TO BE QUALIFIED UNDER NATIONAL
INSTRUMENT 44-101 *SHORT FORM PROSPECTUS DISTRIBUTIONS* (“NI 44-101”)**

July 17, 2018

To: Ontario Securities Commission

Stem Holdings, Inc. (the “**Issuer**”) intends to be qualified to file a short form prospectus under NI 44-101. The Issuer acknowledges that it must satisfy all applicable qualification criteria prior to filing a preliminary short form prospectus. This notice does not evidence the Issuer’s intent to file a short form prospectus, to enter into any particular financing or transaction or to become a reporting issuer in any jurisdiction. This notice will remain in effect until withdrawn by the Issuer.

STEM HOLDINGS, INC.

“Adam Berk”

Adam Berk
Chief Executive Officer